

# **OFFICE OF TRANSITION INITIATIVES**

**Results Review FY 1998 and Resource Request FY 2001**

**June 1999**

**Bureau for Humanitarian Response  
Office of Transition Initiatives  
U.S. Agency for International Development**

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## **PART ONE: OVERVIEW AND FACTORS AFFECTING PROGRAM PERFORMANCE**

### **I. INTRODUCTION**

In its fifth year of operation, OTI continues to consolidate its role as an office that both initiates creative operations in response to transition opportunities around the world, and translates those experiences into policy options and technical expertise for wider Agency use. Over the years, the Office mandate has evolved to one that triggers action not only in post-conflict settings, but also in contexts where preventive or mitigative responses might help to avert the staggering human and other costs of widespread violent conflict. Today, OTI describes its mandate as helping to advance peaceful, democratic change in conflict prone countries of strategic importance and humanitarian concern to the United States.

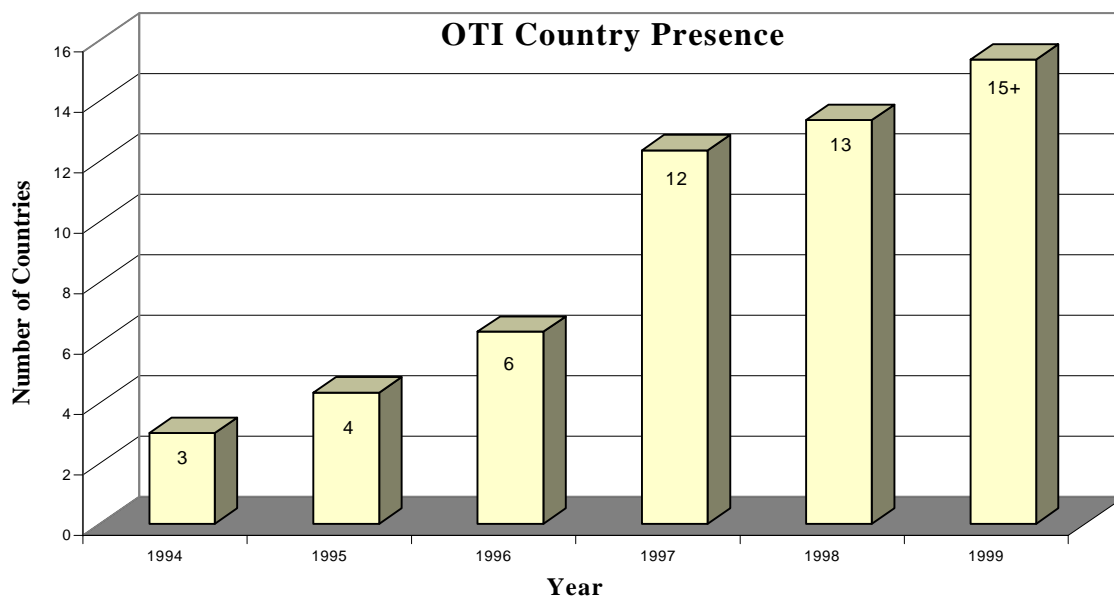
This results report highlights the changing nature of the OTI portfolio and its ever closer alignment with U.S. foreign policy priorities. It describes some lessons learned borne of transition assistance experience and related challenges currently facing the office. Results are described from a wide range of settings; and they are linked to USAID Mission Country Strategic Plans, as a way to show how OTI efforts complement other USAID programs. In addition, it discusses OTI results against “process” indicators—speed of operations; resource and policy leveraging; and re-targeting, or flexibility to adjust programs. These indicators capture OTI’s most significant competitive advantages, or value added.

Review of this reporting model offers another venue to further Agency dialogue on the relationship between country-level and central Bureau reporting and the best way to capture results for resources used in non-traditional settings and programs.

### **II. HIGHLIGHTS**

#### **A. A Changing Portfolio**

OTI worked in 13 countries around the world in Fiscal Year (FY) 1998: Angola, Bosnia, Croatia, Serbia, Congo (DROC), Guatemala, Indonesia, Liberia, Nigeria, Philippines, Rwanda, Sierra Leone, and Sri Lanka. This represented a modest expansion of the portfolio, with an appropriated IDA budget increase of \$5 million over FY1997 levels.



In FY1998, OTI's two new country starts were Nigeria and Indonesia. Following the death of Nigerian military dictator Sani Abacha, OTI worked in concert with other parts of USAID and the Department of State to quickly infuse resources into that country, in a program designed to sustain the momentum towards national reconciliation and a democratically elected government. In Indonesia, the end of the 32-year reign of President Suharto and public outcry for rapid political change led OTI to quickly initiate a broad-scale national media program to accelerate the democratic transition and reinforce peaceful reform. These activities complement the USAID Mission development portfolios.

OTI is shifting resources to focus on countries of highest priority to U.S. national interests. In FY1999, OTI resources will flow to Indonesia, Nigeria and Colombia, three of the four countries the Secretary of State has identified as "priority" developing democracies. OTI is also supporting other critical U.S. foreign policy priorities in FRY/Kosovo and Honduras.

OTI's initiation of activities in these two countries reflects its interest in focusing on dominant regional country actors of strategic importance to the United States. It also reflects the evolving mandate of this office in response to the growing interest of USAID and the U.S. government in providing transition assistance not just after conflict, but during politically charged events in order to head off state implosion or large scale violent conflict. In FY1999, Indonesia and Nigeria remain a predominant focus of the OTI portfolio, along with FRY/Kosovo, Honduras and Colombia. (See Annex A for a discussion of OTI's country selection process.)

OTI also phased down or closed out a number of country activities in FY1998. This both reflected its goal to adhere more closely to the short term nature of its mandate as well as efforts to "manage for results," (i.e., some close outs were due to a determination that conditions or circumstances had changed sufficiently to preclude an effective response).

#### **OTI phases down and closes out some country portfolios....**

- OTI wrapped up its **Guatemala** activities in FY1998. OTI provided timely and effective demobilization and reintegration assistance for ex-combatants over a two year period, in support of the Guatemala Peace Accords. It strictly adhered to the timeframe envisioned for this activity.
- OTI began a phase down of activities in **Angola**, with full closure expected in 1999. The decision to depart is based on the clear failure of the Lusaka Peace Accords and related lack of political will for peace on the part of Angolan national leaders.
- In FY1998, activities in **Sri Lanka** were terminated before they reached full implementation. This was based on a determination that the window of opportunity for effective transition assistance closed with the escalation of fighting between the government and the Tamil Tigers. **Liberia**, also a small portfolio, will close in 1999, as the momentum for democratic change has slowed.
- With the maturation of USAID Mission programs in **Bosnia** and **Croatia**, OTI anticipates closures in these countries in 1999.

## **B. Enhanced response capability**

### ***1. Support which Implements Fast Transitions (SWIFT)***

During its four year lifespan, OTI has developed new mechanisms and procedures in its efforts to respond quickly and effectively to both opportunities and crises worldwide. In FY1998, OTI established a new Indefinite Quantity Contract known as Support Which Implements Fast Transitions (SWIFT) to speedily establish a presence for new country programs. Awarded in September 1998, SWIFT contractors provide communications, security, administrative and logistic support for rapid assessments; establish or enhance operational field offices; hire and manage local and expatriate personnel; set up regional operations; advise on program interventions; and implement small grants programs. SWIFT is presently in use in Indonesia and Nigeria. While OTI manages the contract, SWIFT services can be used by any USAID office or Mission, and even by other government agencies and donors.

SWIFT was first used in Indonesia. The SWIFT contractor was able to deploy to the country within 10 days of OTI's request, to establish offices and begin grant management activities. Sub-grants can be approved within days, while the average is approval occurs within two to four weeks.

### ***2. Training and Shared Learning***

OTI also began to formalize its approaches by bringing its field and USAID/Washington staff together to share experiences across countries and to learn together through retreats (March and December 1998) and training exercises. In an effort to further define best practices in transition settings, OTI undertook a pilot workshop for its field and AID/W staff to consider best methods of assessment in transition environments. Other USAID offices joined in, including the Global Bureau Democracy and Governance Center (G/DG) and the Bureau for Policy and Program Coordination (PPC.) This workshop will be refined and offered again in the coming year. In addition, OTI staff took advantage of relevant training and assessment methodologies offered by other parts of the Agency, especially G/DG, with whom it has a close partnership. It also participated in many non-government sponsored workshops and lectures in which ideas and lessons learned on conflict and transition assistance were discussed.

The office continues to expand its dialogue with other donors. Building on an OTI-hosted donor conference on transition assistance in October 1997, it meets annually with a group of like-minded donors to further explore best practices and new ways of collaborating in transition contexts. Most recently, OTI participated in a high-level working meeting sponsored by the the Brookings Institute, the UN High Commissioner for Refugees and the World Bank to consider better ways to link relief and development assistance. The pooling of donor resources into a single transition fund and the selection of one country for an experiment in joint donor action are under discussion. OTI is also pursuing joint training opportunities with other donors.

Taken together, these efforts to exchange ideas and lessons learned, improve training for staff working in transition contexts, and pilot test new approaches with other donors are serving to deepen OTI's and its partners' understanding of transition assistance. They further professionalize this relatively new field of endeavor.

### C. A growing role: provision of technical assistance

OTI is increasingly called upon to provide technical assistance to USAID missions and embassies overseas as they grapple with transition issues they consider to be outside the realm of their traditional experiences and assistance programs. In FY1998, OTI teams traveled to Northern Ireland, West Bank/Gaza, Kenya, Sudan, Nigeria, Papua New Guinea, and Georgia to help U.S. personnel with analysis and the development of program tools to address specific transition issues. In some instances, OTI has turned down requests for technical assistance, usually because the timing for transition activities seems “off” (e.g. in Iraq, Burma, Azerbaijan, and Russia).

In some, but not all, cases technical assistance has led to short-term OTI engagements in a country. For example, assessments in FY1999, have led to OTI-funded technical assistance and seed money for the design and “start-up” of politically important reconstruction efforts in Honduras, and the pilot testing of some new approaches to anti-corruption in Lebanon. These activities will eventually be incorporated in the USAID Missions portfolios. In this way, innovations borne of transition assistance are absorbed into the Agency’s development strategies.

In its effort to improve response time to both requests for technical assistance and activity start ups, OTI has expanded its “**bullpen**” operation. OTI contracts for the services of a range of technical experts who are on “stand by” and can be deployed quickly.

## III. Lessons Learned

Over time, USAID and OTI understanding of conflict and the types of programs that work best to advance peaceful democratic change in conflict prone countries is growing. Here we share some lessons learned and trends drawn from both OTI’s direct experiences as well as the work of other parts of USAID and other donors.

### A. IDA authorities make a critical difference early on

The special authorities provided by the International Disaster Assistance Account are proving to be an important part of transition assistance success. It has allowed for:

- Quick USAID start up in countries where legislative prohibitions delayed the initiation of some Development Assistance programming (e.g., Congo in FY1997 and Nigeria in FY1998);
- Rapid USAID responses to acute, unforeseen needs that build on emergency aid and give longer term development strategists time to reorient their programs (e.g., Indonesia in FY1998 and Honduras in FY1999);
- Rapid deployment of field staff to rural areas to both provide insight into key transitional events and pilot test activities as USAID develops longer-term plans (e.g., Congo in FY1997, Indonesia in FY1998 and Nigeria in FY1999).
- Rapid engagement of additional personnel to coordinate an inter-Bureau response. OTI personnel have served as Task Force Leaders in USAID/W. Housed in the regional Bureau, they were responsible for assuring coordinated action among all USAID entities engaged in the response, (e.g., Congo in FY1997 and Nigeria in FY1998.)



## **B. USAID development programs can adopt transition assistance models**

While the speed and flexibility of IDA funding are often critical for early and fast response, over time USAID Mission portfolios can and do adopt some of the best elements of transition assistance, drawing on OTI-funded technical assistance and/or successful pilots initiated by OTI. This has happened in Indonesia, Croatia, Bosnia, Rwanda, and elsewhere. Perhaps more importantly, the “mentality” of transition assistance, which emphasizes speed, flexibility and a sharper focus on key political issues, is becoming more a part of USAID culture. This is in part reflected in the number of USAID mission special objectives related to disaster recovery and reinforcement of peace around the world, and the progress USAID has made in developing results frameworks that incorporate the emergency and transition work of the Bureau for Humanitarian Response (BHR). (As discussed later in this report, OTI work supports USAID Mission strategic frameworks in almost every country where it is working.)

## **C. The simultaneous use of relief, transition and development resources can make for a more effective USAID response**

Transitions are not linear events and there are often simultaneous advances and setbacks, with progress by no means assured. There are an increasing number of cases where relief, transition and development resources have all been needed at the same time to address various aspects of a transition, including in Honduras, Indonesia and Rwanda.

USAID/**Rwanda** reports in its R4:

In 1998, with support from OFDA, OTI and Title II Emergency Monetization, SO3 has exceeded its target of assistance to vulnerable, food-insecure households. Activities from all funding sources directly support the ability of Rwandans to return to their homes after exile and genocide and to reestablish household food security.

In a separate document, the Mission reported that these same activities contributed to a significant reduction in food aid requirements for Rwanda.

In a more recent case, USAID/**Honduras** describes the integration of resources not only within USAID but across agencies to deliver assistance after Hurricane Mitch. Its results report notes that:

“Local currency generated through USDA 4169(b) food assistance may be a source of bridge funding for rural infrastructure. The Office of Transition Initiatives (OTI) has provided essential initial support to jump-start the development and initial implementation of the rural infrastructure program. [DOD] will help reconstruct some primary and secondary roads..... USAID-funded rehabilitation of secondary and tertiary roads will link with these efforts....”

OTI believes that this kind of integration is increasingly the model of choice in transition contexts, as it capitalizes on the unique strengths of each organization/office, and funding account, and combines them for a better (synergistic) effect.

## **D. Learning from “failed” transitions**

Despite OTI’s ability to rapidly adjust to changing situations, extraordinary events beyond its ability to foresee or address can limit its ability to have impact beyond the “activity” level. OTI’s work in Angola and DROC was preceded by strong analysis and its entry into these countries was well-timed. (In Angola, OTI entered in support of the Lusaka Peace Accords and in DROC it entered immediately following the fall of Mobutu.) In both cases, the analysis was translated into pragmatic and creative activities, implemented by an outstanding local and international staff. Community level impact was clearly evident. The crumbling of the peace accords in Angola, and Rwanda’s decision to forcibly remove Kabila from the presidency in DROC dramatically changed the context in which OTI was working. It became evident, however, that OTI was not well placed to effect change at the national level.

Drawing from these experiences, OTI is experimenting with approaches that combine the local orientation of the Angola and DROC programs with more national-level approaches. In Indonesia, for example, a mass media campaign is reaching large segments of the population in a huge country, (e.g., some public service announcements are reaching 79% of the population, or about 166 million people), while smaller political transition grants (political transition grants) support a wide range of local, reform-minded civil society groups. The idea is to use a range of approaches to reach a “critical mass,” and hopefully have a stronger impact on how the transition takes shape. Distinct from Angola and DROC, Indonesia and most of OTI’s other new country choices are places where the government is actively engaged in the reform process.

Inevitably, there are circumstances where transition and other assistance is simply overtaken by events. The challenge in these cases is to determine when the country context is so changed (and the transition setbacks so substantial) that there is no longer a meaningful transition to support. OTI’s decision to remain or depart a country is tied to broader Agency considerations with regard to whether or how USAID should engage in these difficult contexts.

## **E. Support “champions of reform” with long term vision; focus on ideas, not money**

A recent World Bank report on “Assessing Aid, What Works, What Doesn’t and Why” discusses lessons learned in “difficult environments” that are extremely relevant for transition situations. The report states:

“...examples....show that it is possible to assist development in countries with weak institutions and policies, but the focus needs to be on supporting reformers rather than disbursing money.

A number of common themes run through...examples of effective assistance. There must be *champions of reform with long-term vision* at the local or national level. Aid must help them *create the knowledge that they need for effective development*. In the difficult environments, public services are poor or nonexistent. Since the government in these cases is functioning poorly, effective innovations typically involve *engaging civil society*—either to bring about governmental reform or to create substitute institutions.

[NB: The emphasis on “new ideas” and not large sums of money is a recurrent theme in the Bank report, related to donor programming in difficult environments. ]

These World Bank findings correlate with OTI’s experience and analysis, and the office programs its resources accordingly. Its activities are directed predominantly toward civil society groups as well as individuals that seek to advance peaceful democratic reforms. Knowledge creation is widely supported through the provision of small scale “political transition grants” (PTGs). These grants can range from fifty to \$200,000 dollars and support a wide range of activities, reflecting the notion that new ideas and not large sums of money are what is needed in these contexts. The idea is to identify and support as many “change agents” in a society as possible, testing new organizations and ideas with small sums of money and expanding on them if they succeed.

Also mirroring Bank findings, OTI has found that effective assistance in difficult environments is extremely staff intensive. OTI often implements activities through regional “hubs” around a country. This approach helps it to avoid capital city bias and puts the staff in contact with, and grant money in the hands of, many more key community leaders and organizations than might otherwise be reached. Information gleaned through these contacts can also serve to inform U.S. policy and expand response options.

#### **IV. CHALLENGES FOR TRANSITION ASSISTANCE DESIGN AND IMPLEMENTATION**

##### **A. Finding “Champions of Reform” with strong implementation skills**

While every society has visionaries and people who desire change, it may be difficult to find people and organizations that combine these qualities with effective program management skills. The value of OTI’s small, political transition grants (PTGs) is that they allow for lots of organizational testing without high financial risk. The challenge is to identify the best organizations and then either quickly move on if desired results are not apparent or build on success with follow up funding. In addition, it becomes increasingly clear that OTI programs, which use existing organizational capacities, should be complemented when possible by activities that concentrate on longer-term institution building that enhances the skills of these groups.

In the **former Yugoslavia**, OTI found that many NGOs, particularly those that were politically-oriented, distanced themselves from the very groups OTI hoped they would interact with in their promotion of reform — the public, the government and the media. OTI was perhaps too slow in recognizing the attitudinal stumbling blocks that created less than optimal results from these groups. In FY1998, it continued to adjust its Balkans program to focus more extensively on media partners who were greater risk-takers and able to send informative, provocative messages to a large public audience through radio, public service announcements, articles and documentary messages.

##### **B. Coordination and Burden Sharing**

Research and past experience show that coordinated donor programming improves overall impact. In addition, USAID, given its modest resources, puts a premium on leveraging other donor resources. While OTI espouses both of these approaches, there is a tension that sometimes exists between OTI’s signature speed and its desire to work in unison with others. In addition, reliance on commitments from other donors to support or build on OTI’s earlier work comes with its own risks if adherence to those commitments are delayed or reneged on altogether. In the former Yugoslavia, for example, efforts to coordinate with some donors slowed implementation, with some donor funding processes lasting a year or more. OTI continues to search for the right balance between independent action and coordinated approaches, and maintains an ongoing dialogue with other donors on ways to address these issues.

### **C. Finding people with the right skills**

Just as the Agency faces a shortage of staff with appropriate democracy and governance skills, it similarly has difficulty finding people with the skills and interest to work in transition settings. Even with its PSC authority, OTI has found staffing offices in Nigeria and elsewhere to be a challenge.

In its search, OTI looks for people that combine political expertise and strategic analysis with an appreciation for speed (as found within the humanitarian relief community) and an interest in and commitment to longer term sustainable development. The ability to translate ideas quickly into pragmatic program options is essential. OTI continues to consider new avenues of recruitment.

## **V. OFFICE PRIORITIES**

Among OTI priorities for FY1999 are:

- Assure that the bulk of its resources are increasingly spent in countries of the highest foreign policy priority to the U.S. Countries where humanitarian interest and relief expenditures are high but U.S. foreign policy interest is relatively low will remain part of our portfolio. However, they are expected to absorb relatively fewer Office resources.
- Assure that OTI continues to refine existing and explore additional methodologies as new transition issues are identified. Countries like Indonesia and Nigeria bring new, urgent requirements in areas relatively new to OTI and USAID. These involve addressing critical transition needs with regard to civil-military relations and fighting corruption. Working in collaboration with other parts of the Agency, OTI is pilot testing new ideas in these areas.
- Provide additional training opportunities to staff and develop new training to fully address issues unique to the transition environment.
- Continue to assure that OTI activities have an “edge” — that is, they are building on past experience, drawing on lessons learned, offering the best possible methods for providing assistance in difficult settings, and remaining focused on the key political issues in a country. Any organization, as it matures, has the potential to get bogged down in its own bureaucracy and ways of doing business. OTI consciously seeks to retain its open mindedness and willingness to test new ideas, resisting bureaucratic routine and “business as usual” approaches.
- Continue to collaborate with other donors on a wide range of issues. This includes discussing lessons learned and finding the best ways to act together in response to transition needs. OTI concern for speed and quick impact are presented in these discussions.

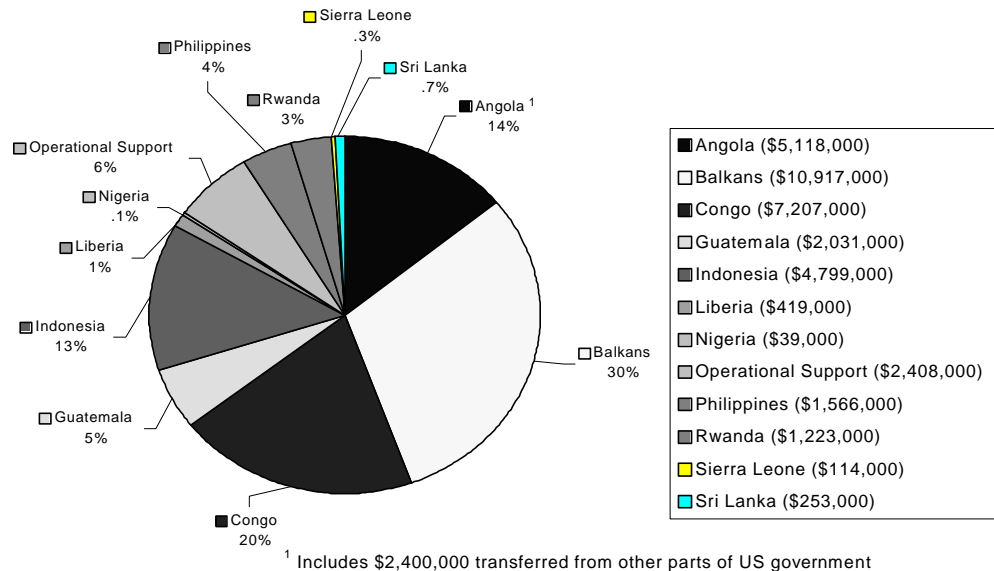
As part of its self-evaluative processes, OTI is conducting this summer an “Innovations Assessment” that will look at its current ways of doing business, ranging from strategic planning to personnel recruitment and management, program processes, use of contracting and purchase order mechanisms, budgeting, administrative support, partnerships and outreach. This is the second such assessment that OTI has conducted since its inception.

## PART TWO: Results Review

### I. RESOURCE USE: OVERVIEW

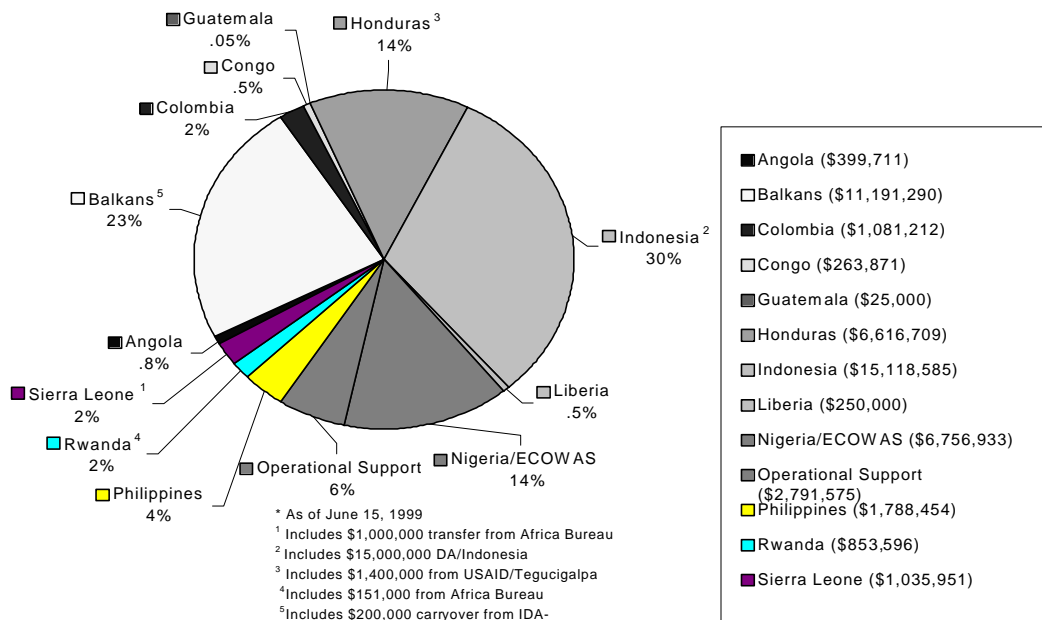
In FY1998, OTI resources were allocated by country as follows.

**OTI Funding Commitments FY1998**



Projections for FY1999 show OTI's emphasis on countries of greater strategic importance to the United States – Indonesia, Nigeria and Kosovo.

**OTI Funding Obligations FY1999\***



## II. RESULTS REPORTING APPROACH

BHR/OTI has one Strategic Objective: “Political Transitions Successfully Advanced in Priority, Conflict-Prone Countries. It has three Intermediate Results: IR1: Enhanced Citizen Security and IR2: Democratic political processes initiated, reestablished or expanded. A third, process-oriented Intermediate Result was added last year, IR3, Improved targeting of OTI interventions. OTI’s strategic objective supports the U.S. Strategic Plan for International Affairs (SPIA) goals related to humanitarian assistance, regional stability and democracy and human rights. The table below breaks down the OTI portfolio by office Intermediate Results.

**Country Breakdown by Intermediate Result**

Country	IR1:Enhanced Citizen Security	IR2: Dem. Political processes initiated reestablished or expanded
Angola	X	X
Congo (DROC)		X
Former Yugo.		X
Guatemala	X	
Honduras		
Indonesia	X	X
Liberia	X	X
Nigeria	X	X
Philippines	X	
Rwanda	X	X
Sierra Leone	X	X
Sri Lanka	X	

OTI citizen security activities have most often related to the demobilization and reintegration of ex-combatants, de-mining or other types of mine awareness programs that improve freedom of movement in a country. More recently, OTI has begun activities that support dialogue or promote messages of peace in order to prevent or mitigate violence. Some security-related activities can have democracy building elements (as in the case of community funds managed by ex-MNLF combatants and their families in the Philippines). Thus, activities initiated predominantly in support of IR1, can also support IR2.

OTI activities to initiate, expand or re-establish democratic political processes are designed to provide tangible signs of progress (usually through rehabilitation) and (re)introduce democratic decision-making through a community-based process of activity identification and implementation. In some cases, as in Angola, the community activities bring together people from previously warring camps and result in improved citizen security. Thus, some OTI activities focused on IR2 also have impact in support of OTI’s IR1. (OTI’s IR3, related to improved targeting is discussed with “process” indicators later in this report.)

Since the inception of the OTI strategic plan, the Office has found the related SO and IRs to be a useful framework to guide the identification of priority areas in transition contexts. It has found it less useful as a document for results reporting. Country specific goals vary as do the types of programs implemented in support of them, and “rolling up” activities across countries is difficult and not particularly meaningful. In addition, using a traditional results framework in transition settings has proved a challenge given the constantly changing conditions on the ground, the difficulty in establishing baselines, and the fact that political transitions defy easy measurement. OTI’s mandate for short-term engagement is also a factor.

In this report, OTI experiments with a slightly different approach. The report includes the following:

1. A chart showing the relationship of OTI activities to USAID mission SOs and IRs. Mission rankings on impact in FY1998 (Expectations Exceeded, Met, Not Met) for relevant SOs and IRs are provided, when available.
2. Discussion of OTI activities that contribute toward both achievement of USAID SOs or IRs in selected countries, as outlined in mission plans, and the OTI Intermediate Results.
3. Examples of OTI performance against a series of process-related indicators: speed, resource leveraging, policy leveraging, and re-targeting (flexibility).
4. Case Studies of OTI engagement in priority countries: Colombia, FRY/Kosovo, Honduras, Indonesia, and Nigeria. While these programs were either initiated in late FY1998 or FY1999, they are now central to the OTI portfolio and merit discussion.

Since not all country activities are fully covered in this report, OTI Country Profiles are provided in Annex B.

### **III. ASSESSING IMPACT AT THE COUNTRY LEVEL**

USAID mission R4s from almost every country where OTI is engaged capture at least some of OTI's work in their descriptions of impact at the SO and IR levels. In some cases, mission indicator charts also captured OTI "outputs" (e.g. populations served, roads rehabilitated, etc.) This integration of OTI activities into mission strategic frameworks and related results reporting is significant. It moves USAID closer to the full integration of all Agency resources into each country plan, as encouraged by the Agency's ADS guidance on strategic planning. It also assures that OTI activities are tied both to longer term development planning and to the Mission Program Plans coordinated by the Embassy.

Not surprisingly, many of the USAID missions with whom OTI is working either do not have country strategic plans, (e.g., DROC, Bosnia, and Serbia) or are operating with "special objectives" (e.g., Guatemala, Honduras, and Indonesia) related to democratic transition or disaster response.<sup>1</sup> This, in part, reflects the fluidity of the situation in most of these countries and the difficulty of doing either traditional strategic planning or results reporting in these contexts.

The following chart shows the relationship of OTI activities to the USAID mission strategic framework in each country (when one exists), and the related assessment of impact for each SO to which OTI activities contributed. The "value added" of OTI's presence in a country, as assessed by OTI, is listed on the right hand side of the chart. The description is brief and does not fully describe the relationship.

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<sup>1</sup> According to Agency guidance, special objectives are used for a number of reasons including when "it is an exploratory, experimental activity in a new program area which merits further exploration or which responds to new developments in a country, region or sector." Results of these activities "may have different criteria for success than other activities."

A number of common elements emerge upon considering OTI value-added across a wide range of countries. These include:

- Provision of timely technical assistance;
- “Risk taking” through pilot testing new approaches, including support for a wide range of “change agents” in a society;
- Sector expertise, including the areas of media and demobilization/reintegration of ex-combatants;
- Fast assistance, allowing for eventual establishment of longer-term USAID programs or re-orientation of existing programs in response to changed conditions;
- Access to areas outside the capital city through establishment of regional hubs; and
- Leveraging of other resources.



## MISSION RANKINGS FOR STRATEGIC OBJECTIVES SUPPORTED BY OTI

COUNTRY	RELATED MISSION SOs	MISSION ASSESSMENT	OTI ACTIVITIES	OTI VALUE ADDED
Angola	SO1: Increased resettlement, rehab. and food crop self-reliance of war-affected Angolans	Met Expectations; (exceeded in most areas)	Mine action, support for objective news, rehabilitation w/community empowerment focus	Fast support for Lusaka Accords; leverage community, other donor, private sector resources; creative program design achieving participatory approach in rehab context; ability to provide TA/program management for other USG agencies
Bosnia	Strengthen democratic insts. that promote a multi-ethnic society and political pluralism, by fostering independent media, etc.(program review doc)	No Rating (no CSP)	Support civil society orgs. to promote dem. practices; support independent media to reshape hard-line attitudes and perceptions, policy and leadership	PTGs* to quickly support change agents; media expertise; test pilot approaches potentially relevant for longer-term USAID strategy; complement USAID longer-term strategies; successful leveraging of other donor resources.
Colombia	SO1: Democracy strengthened and human rights protected (new SO)	No Rating (New)	Rehab. activities that promote local govt./community collaboration in most war-affected areas	Timely analysis; willingness to experiment; first USG investment in peace process (FY99 program)
Croatia	SO2: Increased, better informed citizens' participation in political process SO1: Return/reintegration of war-affected populations	Met Expectations	Support civil society orgs. to promote dem. practices; support independent news media to reshape hard-line attitudes and perceptions; policy and leadership	Regional approach (building on Bosnia); PTGs* to quickly support change agents; media expertise; test pilot approaches potentially relevant for longer term USAID strategy; complement USAID longer term strategies; successful leveraging of other donor resources.
Congo (DROC)	Focus Areas: Assist to strengthen alternative peaceful processes for national reconstruction; build credibility of US-Congo relationship	No R4 submitted; recent USAID review states Expectations Not Met	Facilitate rehab. through participatory action at local level; support dialogue on national reconciliation at provincial level	Timely analysis, speed to establish USAID presence in absence of Mission; regional hubs to provide direct USG contact in key provinces; important regional analysis prior to outbreak of war in August 1999; PTGs*s to provide fast support to change agents; flexibility to suspend and re-activate programs according to state of transition.
Guatemala	SpO: Peace; IR1: National reconciliation process advance	Exceeded Expectations	Demobilize/reintegrate ex-combatants	Sector expertise in demobilization/reintegration of ex-combatants; fast intervention to support accord and complement Mission efforts; funding flexibility allowing for joint funding/programming with UNDP; leveraged other donor resources
Honduras	SpO: Critical Hurricane Needs Met (New)	No rating (New)	Analyze reconstruction priorities; promote need for anti-corruption mechanisms; support longer-term housing options for displaced	Timely analysis and TA; policy leveraging to address anti-corruption on a donor-wide basis; Short-term funding for transition needs, building on work of OFDA; complement longer-term Mission plans.

PTGs - Political transition grants were developed by OTI to provide small amounts of money fast to support good, local ideas that advance transition.

## MISSION RANKINGS FOR STRATEGIC OBJECTIVES SUPPORTED BY OTI

COUNTRY	RELATED MISSION SOs	MISSION ASSESSMENT	OTI ACTIVITIES	OTI VALUE ADDED
Indonesia	SpO: Democratic Transitions Strengthened (New)	No Rating (New)	Increase grassroots participation in voter ed.; mobilize peaceful political participation through civil society; increase media capacity and PSAs; address civil military issues	Timely analysis; speed (through SWIFT contract) for fast response to political crises, allowed Mission time to reorient activities; sector expertise in use of media in transition contexts; PTGs* to support change agents.
FRY/Kosovo	SO3.1: Immediate and improved responses to and management of humanitarian crises in Kosovo (proposed SO)	No Rating (Draft SO)	Current: Support refugee-affected communities in Albania and Macedonia Future: Rehab. in Kosovo with emphasis on community empowerment	Timely analysis; program flexibility to move with refugee population; experimental approaches.
Liberia	SO1: Successful democratic transition, including free and fair election  SO3: Successful transition from relief to recovery through a community reintegration program	Expectations Not Met	Demob./reintegration of ex-fighters through job creation; create alternative news outlets and support objective news sources; support economic reform efforts	Timely analysis; sector expertise to advance independent media; leverage resources from other donors; pilot test creative activities, some of which later absorbed by Mission
Nigeria	Old strategy focuses on health; with new govt., USAID new strategy will support 4 MPP objectives including, "Assist democratic transition..."	New	Training for 10,300 recently elected national, provincial and local representatives; related media campaign	Timely analysis and TA; Speed (through SWIFT contract), regional hubs to provide USG with insight into regional events and mechanism to respond to them; sector expertise-media.
Philippines	SO1: Accelerating Economic Transformation of Mindanao	SO Level: Expectations Not Met  OTI-related IR: Expectations Met	Reintegrate ex-MNLF combatants - agriculture and literacy focus	Timely TA/sector expertise in reintegration of ex-combatants; new high priority target group (MNLF) assisted; fast disbursing mechanisms
Rwanda	SO3: Increased ability of rural families in targeted communities to improve household food security	Expectations Met	Support women's associations to rebuild and act as change agents; empower local government structures; address justice through ICTR support and conference	Timely analysis, creative approach (combining rehab with women focus); risk-taking activity (willingness to work in insecure Northwest); leverage other donor resources

## MISSION RANKINGS FOR STRATEGIC OBJECTIVES SUPPORTED BY OTI

COUNTRY	RELATED MISSION SOs	MISSION ASSESSMENT	OTI ACTIVITIES	OTI VALUE ADDED
FRY/Serbia	Goal: "Support empowerment of citizens to attain a political and economic freedom through participative, democratic processes." (No CSP; 1998 concept paper)	No rating	Support civil society organizations; support independent media to reshape hard-line attitudes and perceptions, policies and leadership	PTGs* to quickly support change agents; sector expertise in media; test pilot approaches potentially relevant for longer-term USAID strategy; complement USAID longer-term strategies; successful leveraging of other donor resources
Sierra Leone	No USAID Mission	N/A	Support civil society/govt. dialogue on peace; workshops, other activities that promote reconciliation and consensus on key issues, including security	Inform USG policy; promote transition in country with high BHR/USG relief expenditures; experiment with new approaches

## A. OTI Contributions towards USAID Country-level Results

Drawing from Mission R4s, Country Profiles developed by OTI field and AID/W staff, and a number of evaluations, some OTI activity highlights are provided below. In addition to describing their relationship to country strategies, OTI also connects them to three larger office themes: addressing the needs of potential “spoilers” in a society; providing rehabilitation assistance in ways that also promote democratic decision making processes at the local level; and the use of media to advance democratic transitions.

### 1. Enhancing Security by Addressing “Spoilers”: Guatemala and the Philippines

Transitions can be dangerous times. Expectations tend to skyrocket and there are almost always groups or individuals who feel their interests are not adequately addressed or are actually threatened by peaceful change. The demobilization and reintegration of ex-combatants is a critical part of consolidating peaceful change. Ex-soldiers who cannot find a place in civilian life often turn to crime; worse yet, their discontent can set the stage for further instability and renewed conflict. OTI seeks to address the needs of potential “spoilers”, like ex-combatants, to help ensure that hard-won peace is not jeopardized. The cases of Guatemala and Philippines are discussed below.

Over the past five years, OTI has gained experience in the encampment and reintegration of ex-combatants in five countries: Haiti, Angola, Liberia, Guatemala and the Philippines. Evaluations have been conducted for programs in Haiti and Guatemala.

**Guatemala:** The OTI program supports Mission SpO1: Supporting implementation of the peace accords; Mission IR1: National reconciliation process advanced.

Through OTI-funded FY1997 and FY1998 activities, almost 3,000 ex-combatants were encamped and then transferred out to communities; some 1,148 were provided with technical vocational training and almost 300 were provided provisional assistance on cooperative farms purchased by the government. There were also literacy components and support for income generating activities. The Mission describes the demobilization and reintegration effort as “early and crucial” assistance and reports that progress towards this SpO is “Exceeding Expectations.”

An OTI-funded evaluation of this activity supports the Mission’s assessment. It found that the demobilization and reintegration process met its objectives in the timeframe envisioned, and that ex-combatants are now living in equal or better social and economic circumstances than their neighbors, and with equal or better prospects for growth in the future. This is true for both the former rebel and military groups (close to 1,000 demobilized Military Police also received training) that OTI assisted. From this base, future programming for “definitive” incorporation will have better chances of succeeding. Plans that focus on the consolidation of incorporation of ex-combatants into civilian life are underway with the Government of Guatemala, with strong support from donors, including USAID.

**Philippines:** OTI activities support Mission SO1: Accelerating the economic transformation of Mindanao; IR1: Expanded participation of Mindanao’s lower income groups in productive enterprises.

While the Mission reports that economic transformation in Mindanao has been negatively affected by both the Asian economic crisis and *El Nino*, it also notes that the number of marginal farmer and fishing families (including the OTI-targeted ex-MNLF fighters) initiating commercial level production of more lucrative products actually exceeded their target by a substantial margin. By the end of FY1998, the OTI program, known as Emergency Livelihood Assistance Program (ELAP) ,had met its target of providing 4,100 former

MNLF and their family members with the means to initiate agriculture and aquaculture. MNLF members also received production training and technical assistance.

Participants were also asked to repay the value of the production inputs to capitalize a community fund that could be used to provide additional livelihood assistance or other projects deemed worthwhile by the community. While 1998 was a tough year due to poor crop yields caused by *El Nino* droughts and *La Nina* floods, as well as depressed crop prices, 83% of the community funds collected repayments for the inputs—demonstrating MNLF commitment to this activity even in the time of extreme hardship.

OTI's community fund program is also designed to offer new opportunities for participatory decision-making. One sign of progress is the fact that five of the seven State Chairmen in the Autonomous Region of Muslim Mindanao (the MNLF areas) are now allowing management of the community funds to be delegated down to the municipal or even lower level.

With the first phase of the OTI activity fully absorbed into the Mission portfolio, OTI is embarking on a new 12 month pilot activity that, if successful, may also be absorbed by the USAID Mission and the Philippines Government. (See page 24 for further discussion.)

## **2. Advancing democratic processes through community-based approaches: Angola and Rwanda**

Often building on the relief work of its sister OFDA and FFP offices, OTI supports rehabilitation efforts that also advance democratic decision-making processes at the community level. OTI's model for engagement involves bringing communities together to identify their most urgent rehabilitation needs and the best ways to address those needs. In a transparent and open process, communities are provided funds to implement their own activities, with the understanding that they must provide a considerable amount of "in-kind" assistance and, when appropriate, contribute their own financial resources. Thus, the activities provide immediate, tangible signs of progress and a sense of community empowerment to make their own choices, offering new hope for societies in transition. Angola and Rwanda are discussed below.

**Angola:** OTI contributes to the Mission's SO1, Increased resettlement, rehabilitation and food crop self reliance of war-affected Angola communities.

Despite the collapse of the Lusaka protocol, a return to conflict and an increasing number of displaced persons most of the SO1 targets were met. The "outputs" of Creative Associates, OTI's implementing partner for community reactivation programs, were included in this Mission assessment of impact. OTI and Mission partners' ability to make progress at the local level despite turmoil at the national level reveals once again the ability of individual organizations to achieve activity level results in war settings. The sustainability of these results, however, remains less than certain.

A Creative Associates report notes that in FY1998, an additional 50 communities received assistance from OTI's Community Revitalization Projects (for a total of 310 since FY94), directly benefiting a total of some 600,000 people. The communities have rehabilitated and opened 68 schools, 5 grinding mills, 2 major markets, 396 kilometers of roads, 73 bridges, and 412 miles of irrigation canals and sources of potable water. Over 8,000 people received vocational training.

OTI's reconstruction activities were based on a creative model of community participation designed to promote democratic decisionmaking processes at the local level. A Creative Associates-funded final evaluation notes that the assistance did establish patterns of participation and support self-help initiatives that were in fact

sustainable at the local level. Municipality farm to market patterns were revitalized, fostering commerce and freedom of movement. Perhaps most importantly, the projects promoted reconciliation between civilians from previously warring communities. An example of this is the reestablishment of links between Binje and MacaMobolo, two communities previously under UNITA and MPLA influence, respectively.

Prior to the community revitalization activities, interaction between Binje and MacaMobolo was limited to violent confrontations. By targeting shared infrastructure needs, the project catalyzed interaction among these warring communities. The communities worked together in the rehabilitation of a grinding mill, roads and bridges. Infrastructure repairs succeeded in re-linking three municipalities. Improved relations and easier access has increased economic activity and constructive political interaction between the communities.

**Rwanda:** OTI activities support Mission SO3, “Increased ability of rural families in targeted communities to improve household food security” and SO1, IR3, “Improved governance, accountability and transparency.” Both SOs Met Expectations.

The Mission reports that a unique combination of OTI, OFDA, Title II Emergency Monetization and DA funding has resulted in targets of assistance to vulnerable food insecure households being exceeded in FY1998. Together they supported the ability of Rwandans to “return to their homes after exile and genocide and to reestablish household food security.”

OTI’s Women in Transition (WIT) activity supports reintegration and a new role for women in post-genocide Rwanda society by funding women’s associations to increase agricultural production, off farm income generation and house reconstruction. In 1998, WIT assisted 760 associations with an estimated 18,000 members with over 90,000 immediate family members. In addition to providing for food security, WIT’s goal is to empower women as agents of change in a society where so many men were both the organizers and victims of genocide. The Mission notes that “the increased confidence resulting from WIT funds given directly to women’s associations cannot be underestimated.” A just completed joint CDIE-OTI evaluation in Rwanda will explore further the impact of WIT in this regard.

The USAID Mission also reports that significant breakthroughs were achieved in local government and decentralization in FY1998 as a direct result of USAID programming. The Government of Rwanda enacted a local government election law that patterns local government structures after an Africare-developed public decisionmaking structure. Africare is part of the Mission-funded Local Governance Initiative. OTI complemented Mission programs by providing technical assistance to the Ministry of Interior on political decentralization processes. It also collaborated with the Mission to send Rwandan government officials to Uganda and Eritrea to facilitate the cross border transfer of lessons learned from local government reform and the decentralization processes in those countries.

### 3. Advancing Democratic Processes through Media: Bosnia-Herzegovina and Indonesia

Since its inception, OTI has identified media as a powerful tool for peace, building from the assumption that what has been so effectively used as a weapon of war (e.g., in Rwanda and the Balkans) can also be used to bring people together as advocates for peaceful, democratic change. It has used media to ensure citizens understand the content of Peace Accords, disseminate

OTI has instituted media activities in almost every country where it has engaged, including Angola, Liberia, Rwanda, Croatia, Bosnia and Herzegovina, Serbia, Indonesia, and Nigeria.

information on International Criminal Tribunal work, introduce public service announcements with messages of peace and tolerance, and support the widescale dissemination of objective news information in countries where state-run media has been the dominant or only source of news. OTI's media work in Bosnia-Herzegovina, other Balkan countries, and Indonesia is discussed below. USAID Missions in these countries have media-related intermediate results or objectives.

**Bosnia-Herzegovina:** While the Mission has no Country Strategic Plan, it does have a program element to strengthen democratic institutions that promote multi-ethnic society and political pluralism. OTI supports a number of Mission objectives including "Independent media offering consistent, objective and balanced information."

OTI has worked in BiH since FY1995, with an emphasis on supporting local media and other civil society organizations in their efforts to reshape hard-line attitudes and perceptions, promote democracy, disseminate more objective information and effect positive political change. Under Key Media Results, the Mission reports that, "USAID/OTI support has increased the circulation of alternative print media outlets from virtually zero in 1995 to over 100,000 for a combination of independent dailies, weeklies and monthlies." In addition, it notes that USAID, through OTI, has been in the forefront of supporting alternative media, particularly in Republika Srpska, through direct grants. OTI has disbursed more than 1,300 political transition grants in BiH, 776 of them (more than \$7 million) related to the media, since FY1995.

Throughout the Balkans, OTI uses a direct-funding model in which OTI staff identify and work directly with local institutions. While staff intensive, this approach allows OTI to work with groups that might otherwise be considered too nascent for USAID support and in regions not often reached by other donor

In summer 1998, OTI funded an independent evaluation of its media programs in BiH. Through dozens of focus groups and surveys, the evaluator learned that OTI-supported media outlets in most regions received a credibility rating on par with or more favorable than that of the state-funded media, which has been the only form of media for decades. It noted that alternative media outlets moderate the strangle-hold that the government media has traditionally maintained over news content.

The evaluation found that:

- OTI is successful in fostering alternative media that promotes democracy by: increasing available information and enhancing political debate; helping to ease community tension by disseminating more objective information during times of crisis; and giving opposition groups and concerned citizens a venue in which to express their views and reach elected officials.
- Alternative TV programming is helping to shape public consciousness. Almost half of survey respondents stated that they often thought about the subjects they had learned about while watching TV.

The evaluation noted a number of important challenges for OTI including:

- Improving sustainability of some media outlets, many of which are completely dependent on OTI funding; and
- Considering more carefully the costs and benefits of direct funding to media grantees. Direct funding undermines the credibility of alternative media voices and opens them up to criticism that they are the “mouthpieces” for Western propaganda. Indirect funding removes the U.S. government from the loop, but creates added costs and provides less control over program decisions.

### **Other Balkan Highlights**

The NATO bombing campaign has significantly altered the media landscape, with many outlets falling silent about the crisis or picking up direct feed from Belgrade. OTI continues to seek openings for engagement to counter these messages.

#### **OTI helps break Republika Srpska’s information blockade on the Kosovo refugee crisis**

From April 22-28, OTI traveled with a documentary reporter from the Republika Srpska (RS) to Macedonia’s refugee camps. They took 15 hours of film, which was used to create a documentary on the current refugee crisis in Macedonia. The main point was to counter the information blockade on the refugee situation by state-controlled media and other stations. The airing of this documentary on local RS stations and the fact that it is produced by Banja Luka-based ATV and Reporter Magazine is extremely important to gaining audience acceptance that the crisis exists, since it has been heretofore ignored by RS media. The trip clearly brought about a change in attitude within much of the crew that traveled to produce the film. They filmed a view of a plaque commemorating the birthplace of Mother Theresa. Its inscription roughly translates to, “The world is not only hungry for bread, it is even hungrier for love.”

In **Croatia**, an OTI funded media campaign helped to successfully overturn a law that restricted public gatherings. An OTI-funded media campaign on addressing the issue of violence against women resulted in the creation of a Croatian government office for equality (of women), publication of a government study on the status of women in Croatia, and ongoing presentations of this topic on government-run television.

In **Montenegro**, OTI support contributed to a shift in state-controlled media, toward a more public-broadcasting model. OTI-funded public hearings and roundtables in Montenegro contributed to the drafting of one of the fairest and most supportive NGO laws in the region.

**Indonesia:** OTI’s activities in Indonesia support the USAID SpO3, Democratic transition strengthened, and contribute towards five Intermediate Results: Building a free and professional media; conflict reduction and national reconciliation; democratic and effective governance; effective civil society organization participation in political processes, and formation of a legitimate government in the period June-November 1999.



Among OTI's activities is a large-scale mass marketing media campaign that promulgates messages of tolerance, peace, unity in diversity, and the importance of voting. Beginning in the fall of 1998, OTI and USAID/Indonesia worked together to produce two public service announcements (PSAs) with messages of tolerance and unity in diversity, which aired extensively over all of Indonesia's major broadcast TV stations during the November 1998-January 1999 time period. Polling was conducted in the third and seventh weeks after the launch and results served as a basis for the refinement of a number of elections-focused PSAs that followed. Anecdotal evidence suggests that PSA impact is high, with jingles and messages incorporated into popular culture. A survey for one PSA showed that a total of 88% of those polled were aware of the PSA, 66% accurately perceived the message; 42% said the message influenced their actions; and 38% said the messages gave them "encouragement." Though impossible to quantify the dividend of these PSAs, Indonesia's June 7 elections were largely peaceful. (See Case Study on Indonesia for further discussion.)

## **B. Performance with regard to Process Indicators**

In addition to the qualitative assessment of activity impact in specific countries, OTI considers office performance against a series of process-related indicators. These indicators capture the competitive advantages of OTI and the office uses these in its own self assessments.

### **1. Process Indicator: Speed**

Often of critical importance in transition contexts, OTI places a premium on speed throughout every aspect of its program: How fast did it initiate an assessment? define an OTI role if one was warranted? establish a presence? negotiate contracts or grants and implement activities once a decision to initiate a new country start was taken? OTI believes that its success is in no small measure related to speed. Highlights of performance against this indicator include:

- In **Indonesia**, OTI sent an assessment team to Jakarta at the end of June 1998, within one month of Suharto's May 1998 resignation. Rapid response cooperative agreements were signed by August 1998 with the Asia Foundation, PACT International and a local organization, (LP3ES). The first sub grants through these organizations were approved for funding within two weeks.
- In **Nigeria**, OTI and its USAID partners worked quickly to implement governance training in advance of the presidential elections. Within a six week timeframe, virtually all elected officials at the national and state levels (including national and state assembly members) received training.
- In **Rwanda**, within weeks of an improved security situation in the Northwest, OTI expanded its Women in Transition (WIT) program into the region to begin assisting women's associations in their efforts to address their rehabilitation priorities.
- In **Guatemala**, OTI entered the country one month before the Peace Accord was signed to begin planning for the demobilization and incorporation of ex-combatants. The planning, design and construction of 8 camps was carried out in less than two months (ahead of schedule) and incorporation was completed within the six month timeframe designated by the Accords.
- Pre-positioned OTI staff re-entered **Kosovo** within days of the latest Peace Accord and cessation of NATO bombing, traveling in with NATO forces on June 14, 1999.

## **2. Process Indicator: Financial Leveraging**

OTI, and indeed, USAID resources are relatively small in comparison to most transition requirements. OTI places a premium on identifying activities that can garner support from other donors and leverage community resources. Activity design and implementation must be accompanied by extensive dialogue with other partners and encouragement of a shared vision for change. Highlights of performance against this indicator include:

- In **Liberia**, OTI teamed up with the International Monetary Fund to establish the baseline information needed to restructure the National Bank of Liberia and initiate macro-economic reforms critical to Liberia's post conflict transition. OTI supported the monetary audit and IMF the fiscal audit.
- In the upcoming pre-election campaign in **Croatia**, OTI is working with the USAID Mission, the EU, OSCE and other donors on cooperative financing of the campaign. USAID resources are expected to leverage an additional \$750,000 from other donors. (FY99)
- In **Serbia**, OTI played an important role in uniting a broad range of donors to create a multi-million dollar support package that helped ensure the ANEM network remained open. Owned and financed by external donors but operated by independent stations throughout Yugoslavia, ANEM was a potent political force in Serbia prior to the NATO bombing. OTI support expanded the signals and footprints of ANEM members, rapidly giving the network much greater coverage (eventually reaching 74% of the FRY population) and credibility. ANEM is expected to re-emerge with the advent of the recent peace agreement.
- In **Honduras**, OTI assistance for long-term housing covers about 25% of the actual cost of the housing solutions provided. Other resources are leveraged from the NGO community, other donors and aid recipients. In the case of its support for rural infrastructure reconstruction, OTI will cover management costs but not actual construction work, which will amount to 20 times OTI's contribution. (FY99)
- In **Indonesia, Congo (DROC), Angola, Rwanda** and the **Balkans** programs, political transition grants (PTGs) require in-kind and sometimes financial contributions from the grant recipients.
- In the **Philippines**, OTI leveraged the services of the private sector. Interested in the humanitarian nature of the assistance and in accessing markets not previously available to it, Rhone Poulenc offered free training in pesticide use while Pioneer Hybrid offered training in corn production.
- In **Sierra Leone**, OTI, the British government and UNDP co-funded a National Consultative Conference held in April 1999. It served as the official venue for the government to receive and recognize civil society's recommendations regarding peace negotiations.

## **3. Process Indicator: Policy Leveraging**

Related to financial leveraging, OTI seeks to provide analysis and vision that influences and enhances policies of the U.S. government, and others in the international community. Placing field staff outside the capital city provides in-depth analysis of rural attitudes and conditions. Conducting rapid technical assessments that describe potential openings in a society; participating on inter-Agency task forces; and disseminating OTI regular country reports widely—all are ways that OTI can inform and help to shape policy. Highlights of performance against this indicator include:

- In **Honduras**, OTI concern for accountable and transparent use of large quantities of reconstruction resources has helped to shape the U.S. response on this issue. OTI served primarily as a catalyst to spur thinking about how best to tackle this thorny issue. Other donors, including the USAID Mission, are

expected to provide the lion's share of resources to support an oversight mechanism to monitor reconstruction funds.

- In **Liberia**, OTI was able to field a human rights expert to monitor a treason trial in early 1999 that would be an important indicator of the Taylor government's seriousness with respect to rule of law and the administration of justice. The findings of that expert contributed to the U.S. government's hardening stance towards the Taylor regime.
- OTI's role as a dominant media donor in **Bosnia and Herzegovina** has given us significant leverage in this sector, influencing the media policy and approaches of other donors.

#### **4. Process Indicator: Re-targeting/Flexibility**

Related to both analytical skill and speed, OTI hopes to avoid both the inertia and "tunnel vision" that can result as country activities mature. There is always a danger that activities continue to run for their own sake, and that updated analysis on priority needs takes second place to the demands of activity implementation. OTI success should also be measured by the extent it can retain an analytical "edge," reassessing the relevance of its activities, divesting itself of activities that are no longer relevant or not producing desired results, and re-targeting its assistance in response to changing conditions.<sup>2</sup> Highlights of performance against this indicator include:

- While agricultural assistance has improved the livelihoods of the MNLF fighters in the **Philippines**, there remains a perception among this population that they are not receiving the peace dividends they should from the Government of the Philippines. Government line agency officials must begin to visit selected Muslim villages and deliver tangible projects. After a seamless hand off of ELAP Phase I to the USAID Mission, which is focusing broadly on improving the economic well being of marginalized groups in Mindanao, OTI is initiating ELAP Phase II with a new contractor (through SWIFT) to facilitate this basic yet critical government assistance. It is thus retargeting its assistance to better address its primary goal – helping the Government of the Philippines adhere to its promises of peace dividends that will yield improved economic well-being of Filipino Muslims. The government will be required to contribute its own resources as well in this Phase.
- Conditions have changed dramatically in **Sierra Leone** since 1996 when OTI entered the country following its first free and fair elections since 1967. Sierre Leone has seen an army coup in May 1997, the return of President Kabbah in March 1998, heavy fighting in late 1998 and, most recently, hope for a new peace accord. OTI programming was flexible enough to be suspended, re-targeted (with a lower overall funding level) and re-instituted to address changing events. Since the fighting, OTI has provided funding to support public debate around the government's decision to engage the rebel forces in a dialogue for peace. Most recently it has supported ECOWAS' role in the peace talks and funding to assure civil society representation at the talks.
- In the **Balkans**, OTI has re-oriented its Political Transition Grants to give greater weight to media groups over local nongovernmental organizations, based on its assessment that media were having greater impact in reshaping hard-line attitudes and perceptions, policy and leadership.

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<sup>2</sup> This process indicator captures IR3 of the OTI strategic framework, "Improved Targeting of OTI Interventions"

In the **Congo**, renewed fighting led to suspension of activities in a number of regional offices. OTI was able to quickly re-direct available Congo PSC staff to other high priority programs (such as FRY/Kosovo) while they were unable to work in Congo. Upon reactivation of the Congo activities, the Team was able to quickly adapt the program to the new conditions, including support for high visibility activities in Kinshasa.

### **C. Next Steps**

In FY1998, OTI worked with institutional contractors to provide training to field and AID/W staff in strategic planning and performance measurement. In addition, it drafted and distributed to staff a field guide for strategic planning with potential transition assistance indicators.

Also in FY1998, OTI developed a Political Transition Grant database. Initiated for the Indonesia portfolio, the office is expanding this model to other country programs. It is designed to improve tracking and management of the myriad small grants that OTI manages.

OTI continues to use evaluations as important tools for obtaining qualitative assessments of program impact, given the difficulty of obtaining quantitative data in many transition settings and the fact that political transitions do not lend themselves to easy measurement. In FY1998, it funded an evaluation of its media activities in Bosnia and Herzegovina; and an evaluation of its demobilization and reintegration program in Guatemala. In FY1999, two recently completed CDIE-led evaluations in Rwanda should offer some interesting insights into OTI's Women in Transition (WIT) activity there. One of these evaluations is co-funded and co-managed by OTI. Additional evaluations may be undertaken in connection with some of OTI's closeout countries, (e.g., Angola).

With regard to performance measurement and evaluations, OTI will continue to focus on:

- Improving OTI field staff ability to track and report on activity level impacts;
- Improving collaboration with and integration of OTI activities into Mission strategic plans; and
- Continued use of both end-of-activity and mid-term evaluations to assess performance and manage for results, with perhaps a heavier emphasis on the latter.

### **D. OTI Country Case Studies: Colombia, Honduras, Indonesia, Nigeria, and Kosovo**

Case studies for these countries follow in the next section.

## **OTI COUNTRY CASE STUDIES**

## Case Study: **COLOMBIA**

*The underlying objective of current U.S. foreign policy in Colombia is to support Government of Colombia (GOC) efforts to achieve peace.... The peace process now underway provides an historic opportunity to address the root causes of the country's long standing internal conflict and endemic, violent crime. Achievement of the strategic and special objectives that comprise this Strategic Plan will depend largely upon the resolution of Colombia's forty-year-old internal conflict.*

*¾ USAID Colombia Strategic Plan (FY 1999-FY 2003)*

The endemic conditions of social conflict and violence in Colombia worsened in 1998, as a result of the serious political and economic problems that erupted during the year. Colombia has one of the highest homicide and kidnapping rates in the world. Continued armed conflict threatens key U.S. Government (USG) foreign policy goals in Colombia: the promotion of democracy and economic growth, cessation of illicit drug trade, and strengthening of respect for human rights and rule of law. However, the USG believes that the initiation of peace negotiations between the Government of Colombia (GOC) and the largest guerrilla army, the Revolutionary Armed Forces of Colombia (FARC) in January 1999, represents the best opportunity in the last fifteen years for a broad peace process to take root. Following a civil disorder disaster declaration by the U.S. Ambassador to Colombia, OTI initiated assistance in support of that peace process.

Prior to the initiation of formal peace talks, OTI financed a workshop that brought together, for the first time, local authorities from conflict areas, civil society and GOC authorities to design a strategy to implement a newly created Peace Fund. Continuing to work together, OTI, the USAID Mission, the U.S. Embassy and other U.S. government and Colombian partners, seek opportunities to support peace processes through activities that: promote socio-economic and human development; strengthen the institutional capacity of local authorities and various sectors of the civilian population; and improve the potential for a better life through participatory projects at the community level in areas most affected by the conflict.

OTI is pilot testing innovative activities that act as a catalyst to spur dialogue among government, civil society and local groups leading to the adoption of a peace agenda. OTI provides USAID with the tools and resources to leverage other donor support for peace programs in areas that have been severely affected by violence and long neglected in the development process. OTI assistance is provided through the International Committee of the Red Cross (ICRC) and the Salesian Missions. Plans for the demobilization of thousands of ex-combatants who will emerge from successful peace negotiations are currently being explored.

One of the areas in which OTI is active with the Salesians is Ariari, a drug-producing jungle region south of Bogota that exemplifies the conflict in Colombia: negligible presence of government authorities, minimal investment in basic services, open warfare among right and left-wing insurgent groups, with the resulting large numbers of displaced families. By the age of 12 or 13, adolescent boys and girls are conscripted by the guerillas.

OTI is financing scholarships for a Salesian technical institute to provide an alternative for families who want to protect their children from becoming the "invisible soldiers." Community chicken and pig production and marketing projects are providing the first legitimate income for hundreds of families, while small electrification projects stimulate such economic activities as clothing manufacturing and agro-processing for the local and distant markets. The ICRC is similarly working with communities deeply affected by violence to build sports facilities and community libraries, and rebuild schools destroyed by conflict. In both the ICRC and Salesian activities, the process is as important as the product. Communities that have long abandoned hope in their capacity to make their own decisions and lost hope that institutions are willing to assist them have now renewed their commitment to the peace process.

OTI has provided over \$1 million in funding in FY1999. As USAID/Colombia notes, it "represents the first investment by the U.S. government in support of the Colombia peace process."

## Case Study: *HONDURAS*

*“Rapid reconstruction after the hurricane is critical to the goals outlined in USAID’s general development plan and the Mission performance plan” (USAID/Honduras Special Objective)*

In the aftermath of the devastating Hurricane Mitch, OTI offered technical assistance to USAID/Honduras that was designed to build on the immediate disaster assistance provided by BHR through its OFDA and FFP offices. It aimed to help the Mission consider options for re-orienting its development program to meet the changed environment, and provide “seed” money for some high priority activities. The engagement was predicated upon concern that the disaster had potentially de-stabilizing affects on the country (with immigration-related and other challenges for the U.S.), and the importance to U.S. foreign policy of a quick transition from relief to rehabilitation in Honduras.

Initial technical assistance provided by OTI led to a number of short term initiatives for the office. It is: a) undertaking a politically-important housing program designed to move over 2,000 displaced families in Tegucigalpa out of short term shelter and into permanent housing arrangements; b) providing essential support to jump-start the development and initial implementation of a bridge and road economic recovery infrastructure program; and c) working in concert with the USAID Mission and other donors to devise options to assure that the large amounts of reconstruction assistance expected to flow into the country are not mismanaged or stolen. (With the fall of the Somoza regime in Nicaragua widely attributed to his government’s mismanagement of reconstruction funds after the 1972 earthquake, the potentially destabilizing effect of rehabilitation fund mismanagement is noteworthy and was a logical point of interest for OTI.)

Under the USAID/Honduras’ proposed Special Objective for Hurricane Reconstruction, OTI activities support Intermediate Results related to developing permanent housing for dislocated families, reactivation of economic activity, and improving GOH reconstruction accountability and transparency.

Housing was the first sector for OTI engagement. As the USAID Mission has noted,

“Rapid movement to permanent housing solutions is a matter of political urgency. ...temporary shelter solutions have, in many cases, already been politically controversial and they could become ever more politically sensitive issues if solutions are not found to move people out of them into permanent solutions relatively quickly. Delays in addressing immediate housing needs also increase the possibility of land invasions.” (*Special Objective, Hurricane Reconstruction*)

Building on OFDA funding for short term housing, OTI signed a \$2 million grant to IOM to accelerate the process of developing a permanent solution for Tegucigalpa’s transitional shelter problems. The OTI supported program involves the provision of \$600 vouchers to over 2,000 households in the capital city that are still living in public shelters some six months after the disaster.

Most beneficiaries will work with the many NGOs who are providing housing assistance. The voucher idea is designed to overcome the shortage of funds for land, water, sanitation and or other infrastructure that many NGOs had assumed the municipality of Tegucigalpa would be able to provide. Unfortunately, the municipality exhausted its resources immediately after Mitch. The vouchers will not only empower the beneficiaries, encouraging them to take a more active role in finding a durable solution for their shelter needs, they will also allow NGOs to implement projects which have been languishing for so long.

OTI has combined housing rehabilitation with a community empowerment emphasis in a number of other countries including Rwanda and Angola.

The housing activity will engage the mayor of Tegucigalpa, the Cooperative Housing Foundation (CHF) and dozens of NGOs to draw together and complement available resources. USAID/Honduras is providing complementary funding for water and sanitation activities.

Mitch destroyed a large number of bridges and access roads, preventing farmers from marketing their crops. OTI provided the technical assistance and initial funding for the Bridge and Road Rehabilitation Project (BRER) that will rebuild roads and bridges linking producers with markets.

Recognizing the critical importance of ensuring the efficient and transparent use of substantial donor resources committed to post-Mitch reconstruction efforts, OTI has led discussions with the Inter-American Development Bank (IDB) and the World Bank to create an Independent Inspector General function to supervise all donor-funded reconstruction activities. OTI will similarly conduct an assessment to design a program that addresses the active participation of civil society in the monitoring of reconstruction activities.

OTI's Honduras activities will be concluded in FY2000.



## Case Study: *INDONESIA*

*“Across the heartland of Java, home to more than half of Indonesia’s 210 million people, villagers almost unanimously admit they have no clue about the policies of the 48 parties competing for parliament in the June 7 vote. But villagers interviewed had caught the drift of a series of slick television commercials, financed by the US Agency for International Development. Shot by the country’s leading movie director, they show everyday Indonesians across the archipelago stressing the fact that they, for the first time in 44 years, are free to vote as they please. ‘This time we make our own choice,’ said Udi, a middle-aged farmer in Blanakan, northern Java. ‘We don’t follow anyone’s lead. When the village head tells me to choose one party or another, I just say no.’”*

*¾ The Financial Times, June 3, 1999*

Beginning in 1997, Indonesia faced a confluence of devastating events that revealed critical weaknesses in its economy and political system. *El Nino*-related droughts fed fires that raged out of control for weeks. Severe economic crisis plunged millions of Indonesians into poverty and unemployment, and with economic hardship came calls for new leadership. Initially peaceful demonstrations against the government erupted into violent riots when security forces killed four unarmed students. Several weeks later, President Suharto resigned, handing the presidency over to his vice president, B.J. Habibie. In January 1999, the Department of State designated Indonesia as one of the four countries whose transition to democracy is of highest priority to the United States.

In April 1998, OTI participated in a USAID assessment to evaluate the need for humanitarian assistance in Indonesia. The analysis suggested that a dramatic political transition was possible. In May 1998, with the unexpected resignation of President Suharto, that analysis became reality. The Mission was evacuated in May due to violence in the capital and returned in June 1998. At that time, OTI fielded a team to initiate fast, catalytic support during the most critical moments of the transition process. In July, cooperative agreements with three non-governmental organizations were signed, enabling rapid response to transition opportunities. Sub-grants to Indonesian NGOs followed within a few days. Subsequently, OTI opened regional offices in Medan and Surabaya, as OTI believed transition assistance needed to move beyond the capital and the most heavily populated island of Java.

OTI activities have focused on: 1) a mass marketing media campaign that promotes messages of tolerance, peace, unity in diversity, and the importance of voting; 2) preparing the populace for elections, working particularly with grassroots organizations to expand their voter education capabilities; 3) strengthening civil society organizations, targeting activities that enhance their role as agents of change for the transition to democracy; 4) building the capacity of media to better understand and cover political processes; 5) improving civil-military relations by facilitating dialogue among key players.

OTI's Indonesia program is particularly illustrative of the synergies that can be achieved through close collaboration between OTI and USAID Missions. OTI staff in Jakarta are co-located with USAID/Indonesia and OTI activities are fully integrated into the Mission's democracy and governance strategic objective. OTI's presence gave the Mission time to reorient its DG focus, and enabled the USG to respond to immediate transition needs, quickly identifying projects that proved to be levers of change. For example, building on its experience in the Balkans, OTI focused on strengthening alternative media and institutionalizing media freedoms through support for development of new media laws.

News programming during the Suharto era was completely government controlled. Immediately after his resignation, Indonesia's print media sector experienced explosive growth, going from some 258 publications to more than 1,000 today. An estimated 8,000 new journalists entered the field, very few of whom have experience covering a free election. In the period leading up to the elections, OTI supported a series of training workshops for print and electronic journalists, focusing especially on effective methods of covering a free campaign and election, and emphasizing the need for objectivity and professionalism.

In the fall of 1998, OTI and USAID/Indonesia jointly initiated four public service announcements (PSAs) encouraging tolerance and non-violence. Produced by the Vision of Indonesia working group, the PSAs reached a broad audience, airing frequently over five of Indonesia's TV stations during November 1998 to January 1999, a period during which there were a number of religious holidays and tensions. Polling was conducted in the third and seventh weeks after the campaign was launched, to determine the impact and serve as the basis for refinements that were incorporated into the next series of PSAs focused on elections. These emphasized the importance of voting as a stepping stone to change, and voter rights and responsibilities. The election-focused PSAs were seen by 79% of the population, some 166 million people.

Overall, anecdotal evidence indicates that the PSAs had strong impact, with the jingles and messages being becoming part of popular culture. For example, a national exam for sixth graders recently asked students to identify the message of the Vision of Indonesia PSAs. Though it is impossible to quantify the dividend of these PSAs, Indonesia's June 7 elections were largely peaceful.

The messages of the PSAs were reinforced through innumerable public meetings and civic education programs. In one OTI-supported project, a group of eight prominent Indonesians held a "discussion tour" of 27 cities holding public meetings about the urgent need for democratic change and a peaceful transition. OTI also worked with Indonesian NGOs active in voter education. For example, LKIS Yogyakarta established a National Clearinghouse resource center that disseminated information on voter education programs and activities to member NGOs across Indonesia. It also established a web site to further serve as a vehicle for NGOs to share ideas and strategies, as well as exchange information. For clearinghouse members who lacked Internet access, LKIS published a monthly newsletter. Radio stations, journalists, election monitors, student groups, political parties, and voter education organizations have contacted the group for information. When the LKIS held an two-day outreach exhibition in April 1999, it attracted over 2,000 visitors who participated in several innovative programs, such as voter education talk shows, "election clinics" that provided information on election monitoring, and voter education games designed to help students and first-time voters learn about and actively participate in the elections.

To date, the OTI programs have funded 214 Political Transition Grants totaling \$8.9 million, with the largest expenditure going to the media sector (\$5.4 million) for 59 grants. In the elections sector, OTI funded 83 grants totaling \$2.2 million to enhance the Mission's effort in this area. In the remaining sectors, civil society and civil-military relations, OTI funded 59 grants totaling \$1.0 million.

The post-election period will be filled with great uncertainty, as the parliamentary elections for president will not be held until late November 1999. In the interim period, new political coalitions will be formed and new parliamentary rules and regulations established, while the potential for renewed violence shadows the entire process. One of the core challenges in the post-election period will be identifying and facilitating ways for non-winners to remain constructively engaged in the reform process.

During this critical period, OTI activities will focus on: continued assistance for institutionalizing media freedoms; building a free and professional media; reduction of conflict in critical areas; facilitating post-election monitoring, analysis, and dialogue; strengthening the advocacy capacity of civil society organizations, and improving civilian-military relations. These activities are fully integrated into the Mission's Special Objective Number 1: Democratic Transition Strengthened. OTI activities will phase out in September 2000, handing off to the Mission, which will continue responding to Indonesia's key transitional challenges as part of its longer-term development strategy.

#### PSAs Market Messages of Peace

**PSA Title:** Culture of Dialogue  
**Message:** Anti-violence

A total of 88% of those polled were aware of the PSA, of which:

- 66% accurately perceived the message.
- 42% said the messages influenced their actions.
- 38% said PSAs gave them encouragement.

**PSA Title:** Warna  
**Message:** Unity in diversity

A total of 47% of those polled were aware of the PSA, of which:

- 63% accurately perceived the message
- 19% said it influenced their actions.
- 38% said it gave encouragement.

## **Case Study: *FRY/KOSOVO***

### ***BUILDING ON DISASTER RESPONSE; PLANNING FOR POST CONFLICT***

OTI has been engaged in supporting U.S. foreign policy objectives in Kosovo since October 1998, when it initiated a program to help reinforce the Milosevic-Holbrooke settlement. This settlement was designed to reduce the presence of Yugoslav and Serb forces in Kosovo and allow in a 2,000 person observer force, providing enough security for ethnic Albanian refugees and displaced persons to return to their homes before winter. Working closely with ENI, G/DG and the State Department, OTI/Washington and field staff participated in an October 1998 assessment designed to help identify immediate interventions that could be initiated by USAID to support the agreement.

While donors had plans for major governance programs to bolster the impact of this agreement, few had resources that could be quickly applied. OTI was able to initiate programming from its Belgrade office immediately and to establish a presence on the ground in Pristina by November 1998. These activities demonstrated U.S. commitment early on while other programs were being developed.

Based on assessment findings, OTI also crafted a rehabilitation and democracy-building strategy that revolved around the concept of Community Improvement Councils. The idea was to develop councils at the community level comprised of local authorities, community groups, NGOs, interested citizens and technical experts that would identify and initiate essential community-based projects. The emphasis would be on rehabilitation — repairing and refurbishing homes, schools, community centers and clinics, restoring public services — while at the same time using the activity selection process to strengthen moderate voices and leadership in communities; empower ordinary citizens and foster participatory decision making at the local level.

Aggressive Yugoslav and Serb force tactics in Winter and Spring 1999, and failed negotiations to broker a new peace at Rambouillet, led to the initiation of a NATO bombing campaign in Yugoslavia in March 1999. OTI was able to quickly move its Republika Srpska, Serbia and Kosovo-based international staff and resources to neighboring states. It re-established programs there and is assisting the Kosovar populations in refuge while simultaneously planning for re-entry into Kosovo. Redesign and programming of funds was swift. There were no significant “mortgage” issues to preclude rapid disbursement of funds in response to the changed situation.

OTI’s work in Macedonia and Albania complements the assistance of traditional relief agencies; supports media, NGO and governance partners in exile; and promotes good relations between refugees and host country governments and citizens.

Many of its media, NGO, and governance partners are now in Macedonia and OTI is supporting those that are able to work in exile and who will have leadership roles in the civil society sector upon their return to Kosovo. For example, OTI has facilitated the reopening of the previously Kosovo-based Center for the Protection of Women and Children, which provides legal services as well as medical and psycho-social counseling support to women and children. In addition it is helping the Counsel for the Defense of Human Rights and Freedoms reestablish offices to facilitate the collection of testimonies from Kosovar victims of violence to report to the War Crimes Tribunal. These kind of activities broaden the nature of the U.S. humanitarian package and is a creative way to keep Kosovars engaged in directing their own fate.

In Albania, OTI is working with other parts of USAID and other donors to address the severe shelter shortage for refugees by creating incentives for host communities to take in additional refugee families. Building on its original community improvement concept, OTI and its implementing partner, the International Organization for Migration, is considering ways to engage refugees and Albanians in small scale infrastructure projects for

welcoming communities. This response has a “prevention” element, aiming to reduce the potential backlash against Kosovar refugees who are stressing Albania’s physical, economic and social infrastructure. While the recent peace agreement may preclude the need for full implementation of this activity, IOM is prepared to move immediately with the refugee population back to Kosovo to begin community-based rehabilitation efforts.

On June 14, 1999, OTI staff re-entered Kosovo and it is poised to re-initiate activities. The office has five Personal Services Contractors and two institutional contractor staff in the region and 14 local staff (Kosovars) on board. Its agreement with IOM authorizes that organization to move its programs from refugee hosting countries back to Kosovo when return is possible. It has armored vehicles available and equipment to staff out seven offices. This seven office network around the province will serve as a platform for OTI (and possibly other U.S. government or other donor) activities throughout Kosovo.

Upon return, its emphasis will be making Kosovo communities a more viable place to live, maximizing returnee confidence in future local self-governance, and kick-starting the rebuilding of civil society. As in its other Balkan strategies, OTI anticipates an active media program to bolster independent broadcast and print media and keep citizens fully informed about reconstruction efforts and the political transition.

OTI is an active participant in U.S. inter-Agency dialogue on Kosovo and is working closely with the ENI Bureau, G/DG and other BHR offices as it develops its activities. A relatively small office, OTI seconded three of its staff full time to the BHR-led Kosovo Operations Center/Task Force at the height of refugee expulsions, reflecting its commitment to aggressively engage in this humanitarian crisis and lay the groundwork for eventual transition programs inside Kosovo. OTI also has representation on the Disaster Assistance Response Team (DART) in Albania and an office in Skopje that works closely with the OFDA DART there. OTI plans are consistent with the May 1999 ENI document outlining a proposed USAID Strategy for the Federal Republic of Yugoslavia during the timeframe FY99-02.

## Case Study: **NIGERIA**

*"The USG has been swift in utilizing USAID's quick disbursing mechanisms, through the Office of Transition Initiatives (OTI) to bring in much needed assistance in the conduct of recent elections in Nigeria. This assistance was timely and much appreciated, as is current assistance to providing training to newly elected officials. As these and other immediate term initiatives are implemented to assist the Govt. of Nigeria through the transition, USAID will be a developing longer-term strategy in Nigeria. The Mission is also exploring ways of folding current short-term initiatives into longer-term initiatives designed to actualize Nigeria's much vaunted potential in many sectors. (USAID/Nigeria 1998 Results Report, p. 11)*

Initiation of OTI work in Nigeria is an excellent example of the kind of value added that the office can bring when USAID seeks to capitalize quickly on new opportunities in a difficult setting. Given years of military dictatorship and poor U.S.-Government of Nigeria relations, the USAID development portfolio had become restricted over the years to NGO-administered health activities. Failure to pay debt arrears and Nigeria drug trafficking meant that development assistance funds could only be used in a very limited range of activities.

Working closely with the USAID mission, the U.S. Embassy and other U.S. Government and Nigerian partners, OTI developed four target areas for work: capacity building for good governance; conflict resolution in strategic areas; civil military relations, and coalition building for economic reform. While OTI originally envisioned a post-inaugural training to support the first target area, U.S. Embassy interest in conducting pre-election work and the inability of other parts of the U.S. Government to conduct the work in the necessary timeframe led OTI to alter its plans.

The resulting training covered all elected officials at the national and state levels (including all Governors and National Assembly Members) and over half of all local elected officials, within a six week period prior to the presidential elections. By the end of the training project in July 1999, USAID and its partners will have trained 10,300 Nigerian officials. Held at venues around the country, the training includes workshops on the organizational structures of government, leadership roles, and effective management of government resources, as well as sessions on the challenges of transparency and accountability.

Testament to the willingness of the USG to take risks and move quickly, and to the Nigerians' capacity to help themselves, the training was undertaken without any resident expatriates, drawing significantly on local experts and resources. Utilizing its media expertise developed in transition contexts around the world, OTI added a new dimension to the training by planning and executing a media strategy that brought nationwide publicity for the training project and encouraged a broader debate on the new democracy. At the center of the media campaign were five public-service announcements broadcast on national television during the Youth World Cup Soccer tournament.

In executing the project, OTI staff, funding mechanisms and media expertise, G/DG elections expertise and implementing partners, USAID/Nigeria development partners and ESF funding were combined to accomplish what many thought was not possible. It was an extraordinary example of what can be achieved with inter-bureau and inter-Agency cooperation and a combination of resources.

As the Mission R4 notes, OTI engagement is taking advantage of immediate windows of opportunity while the USAID Mission refines its longer-term approach. OTI envisions departing the country by 2001.

**PART THREE**  
**RESOURCE REQUEST FY 2001**

## PART THREE: RESOURCE REQUEST FY 2001

During FY 1998 OTI responded to 13 ongoing emergency transitions and 7 requests for technical assistance worldwide at the cost of \$30 million. OTI's budget for FY 1999 includes a provisional allocation of \$40 million from the Disaster Assistance account, and a \$15 million Development Assistance earmark for Indonesia. USAID Missions, U.S. Ambassadors, and other U.S. government officials continued to request transition assistance, as OTI's field operations demonstrated increasing relevance to U.S. foreign policy interests and as complex emergencies continue to consume significant U.S. government resources.

According to the Interdisciplinary Research Program on Causes of Human Rights Violations (PIOOM) researchers at the University of Leiden, The Netherlands, between mid-1997 and 1998 there were:

- 16 high-intensity conflicts (where there were more than 1,000 deaths due to armed conflict): OTI was active in 25%.
- 70 low-intensity conflicts (where there were between 100 and 1,000 deaths due to armed conflict): OTI was active in 13%.
- 114 violent political crisis (where there were less than 100 deaths due to armed conflict): OTI was active in 7%.
- 26 countries with peacekeeping operations (both UN and other): OTI was active in 23%.

**Summary of FY98/99 OTI Interventions by Conflict Type\***

<i><b>OTI Country</b></i>	<i><b>High-intensity Conflict</b></i>	<i><b>Low-intensity Conflict</b></i>	<i><b>Violent Political Crisis</b></i>	<i><b>Complex Humanitarian Crisis</b></i>	<i><b>Peacekeeping Operations</b></i>
<b>Angola</b>		X, increasing		X	X (UN)
<b>BiH</b>			X	X	X (UN, SFOR)
<b>Colombia<sup>1</sup></b>	X, increasing	X, increasing	X		
<b>Congo – Zaire</b>		X, increasing		X	
<b>Croatia</b>			X	X	X (UN)
<b>Guatemala</b>		X, decreasing			
<b>Honduras</b>					
<b>Indonesia</b>			X		
<b>Liberia</b>		X, increasing		X	X (ECOMOG)
<b>Nigeria</b>		X, increasing	X		
<b>Philippines</b>		X, increasing	X		
<b>Rwanda</b>	X, increasing			X	
<b>Serbia</b>		X, increasing	X	X	
<b>Sierra Leone</b>	X, increasing			X	X (ECOMOG)
<b>Sri Lanka</b>	X, increasing				

**OTI assumes that the total number of priority countries in transition will increase in the next few years.** In past years, the office had determined that approximately 50 countries experience some sort of transition in

\* Data has been drawn from 1997-1998 PIOOM analysis.

<sup>1</sup> There are regional differences within Colombia (high-intensity conflict in the south, and low-intensity conflict in other parts of the country).

any given (post-1990) year. Now, using PIOOM's trend analysis and early warning system, the office finds that the forecasts are grim. Not only are pre-conflict situations, active conflicts, and armed conflicts escalating in the post-Cold War era, but inter-state conflicts are also on the rise. Analysis of trends indicate that:

- More than 100 "political tension situations" could develop into crisis;
- Active intra-state conflicts are increasing, leading to state collapse in countries such as the former-Yugoslavia or near-state failure in countries such as Angola, Colombia, Cambodia, Haiti, Lebanon, Liberia, Mozambique, Sierra Leone, Somalia, Sudan and Congo-Zaire.
- In 1995 there were 101 armed conflicts; 135 in 1996; 161 in 1997; and 200 in 1998.
- Inter-state conflicts are likely to escalate in the near future, including: Nagorno-Karabakh; Burma-Thailand; China (Spratly Islands); China-Taiwan; Venezuela-Colombia; East Timor; Ecuador-Peru; Eritrea-Yemen; Ethiopia-Eritrea; Ethiopia-Somalia; Ethiopia-Sudan; Kashmir; Westbank/Gaza; Israel-Syria; Japan-China; Latvia-Russia; Western Sahara; Nigeria-Cameroon; Nigeria-Chad; Poland-Belarus; Northern Uganda; Russia-Azerbaijan; Russia-Georgia; Russia-Chechnya; Saudi-Arabia-Yemen; Serbia-Montenegro; Sudan-Egypt; Syria-Turkey; Turkey-Greece; and Cyprus. Many of these conflicts involve countries of strategic and national interest to the U.S. government.

**OTI assumes that the number of humanitarian crises will increase over the next few years.** Likewise, the ICRC has found that the number of humanitarian emergencies has increased from 20-25 per year to 65-70 per year. Not only are the numbers of crises increasing, but the number of people affected by them is rising as well – "about 250-300 million people are trapped in emergency situations." The ICRC predicts that the number of people affected by this kind of emergency will increase by 10 million in the coming years.

**OTI assumes that demand for transition assistance will continue to stretch the office's resources and capacity over the next few years.** This reflects a change in OTI's mandate, which now includes prevention and mitigation activities in countries that are vulnerable to state implosion. And it reflects the growing recognition of OTI's value-added by USAID Missions and Central offices, and its success (see results report for fuller discussion) in providing transition responses that advance USG foreign policy interests in crisis-prone countries:

- In Indonesia, OTI funded groundbreaking public service announcements focused on anti-violence and elections rights and responsibility messages. Surveys and anecdotal evidence indicates that impact has been strong.
- OTI's Women in Transition program has benefited over 90,000 Rwandans. Local community activities have contributed significantly to improved food security and have empowered women as they engage in participatory decision-making processes.
- In Nigeria, OTI has helped train over 10,000 newly elected officials in leadership responsibilities.
- In Bosnia and Herzegovina, OTI has funded 776 grants related to the media to support the creation of alternative voices and ideas throughout the entity. An evaluation shows clear success in enhancing political debate and easing community tensions through dissemination of objective information.
- And in Guatemala, OTI supported the demobilization and integration of 2,940 rebel URNG military cadre and 1,722 ex-combatants of the Government's Mobile Military Police units into civilian society. Progress



towards USAID's Special Objective -- supporting the Peace Accords -- has "exceeded expectations," according to the Mission.

In conclusion, it is likely that in FY 2001 the demand will be great for OTI responses to transition opportunities in countries of high priority to U.S. foreign policy. OTI will need to increase its response capacity to include new transition opportunities in priority countries and/or increase the share of its resources towards ongoing transitions.

## **2. PRIORITIZATION OF OBJECTIVES**

With only one Strategic Objective, and because OTI's mandate requires it to remain flexible in order to respond to targets of opportunity when and where they open up, OTI would choose to operate in fewer countries rather than eliminate activities under any of our Intermediate Results if its funding for FY 2001 is lower than expected.

## **3. OTI's FINANCIAL RESOURCE REQUEST (\$ Millions)**

Because of the demand for transition assistance, OTI reached projected funding levels at a faster pace than anticipated. OTI's FY00 target for \$55 million in Disaster Assistance funding essentially "straight-lined" its FY99 budget. However, this target was based on plans to engage in 3-4 large transitional programs, at approximately \$8-15 million each. In FY98 and FY99 OTI has already developed transition programs in 4 large priority countries (Nigeria, Indonesia, Honduras, and the Balkans/Kosovo) at about \$6.6-18 million each. This has resulted in a reassessment of FY00 needs and a request for a significant increase for FY01.

A major factor in OTI's budget requests and targets for FY00 and FY01 has been the extent of OTI's response in Kosovo and Macedonia in FY99 and FY00. OTI is intensely engaged in the USAID response to the humanitarian crisis, and helping the US government plan for crisis and transition response. Currently OTI has requested an additional \$10 million in FY00 IDA funding. OTI plans to establish seven regional Kosovo offices to manage community-identified projects to address basic needs and concerns (water, sanitation, electricity, health care, shelter, education, employment, etc.) while fostering participatory decision-making at the local level. These activities are a necessary prelude to longer-term SEED-funded programs. Without the additional funds, OTI (and the Administration) would be unable to address anticipated requirements in Kosovo or would need to fund them at the expense of other high priority requirements in countries such as Nigeria and Indonesia.

Given the growing demands for transition programs in priority countries by U.S. government agencies, and given the anticipated increase in the number of transition situations where OTI assistance will be requested, the office is requesting a total of \$75 million in International Disaster Assistance funds for FY 2001.

### OTI Budget Summary (target and request)

	FY 1998	FY 1999	FY 2000 (target)	FY 2000 (request)	FY 2001 (target)	FY 2001 (request)
IDA	\$30	\$40	\$55	\$65	\$75	\$75
DA		\$15				
<b>TOTAL</b>	<b>\$30</b>	<b>\$55*</b>	<b>\$55</b>	<b>\$65</b>	<b>\$75</b>	<b>\$75</b>

\*The FY99 bottom line may be higher as OTI will likely be programming additional IDA or SEED funding for Kosovo/Macedonia.

## 4. PIPELINE ANALYSIS

On March 9, 1999, BHR/PPE provided a detailed pipeline report to each of the Bureau's offices. The Bureau's report was compiled as of February 11, 1999 and established baseline data and benchmarks for BHR's pipeline analyses. In accordance with Bureau guidelines, the following is a summary of those benchmarks and OTI's performance against them:

**Benchmark 1:** Percent reduction in expired pipeline (i.e. unliquidated obligations expired before or during FY 98) as compared to the 2/11/99 pipeline report.

OTI has made outstanding progress in identifying and analyzing its IDA pipeline of unliquidated obligations as of 2/11/99 (see table below). Of special note, OTI has confirmed a 99.7% reduction in its pipeline of pre-FY98 expired obligations and an 88.7% reduction in FY98 expired obligation balances. This is an overall 97% reduction (from \$8,080,000 to \$245,000) in pipeline for unliquidated obligations expired before or during FY 98. This reduction includes \$2,006,967 identified for deobligation, FM adjustments to correct double obligations recorded in FY 97 due to the suspension of NMS overseas, system errors awaiting certification by FM and \$114,340 in unliquidated obligations that belong to OFDA. OTI has provided OFDA with this information for their follow-up.

Total pipeline change from 2/11/99 to 5/10/99 is \$18,910,000, a 53% reduction. For comparison purposes, the expiring unliquidated obligations after FY 98 balance as of 5/10/99 does not include obligations of \$10,951,159 made after February 11, 1999.

	Expired < FY 98	Expired in FY 98	Expiring After FY 98	Total Pipeline
<b>2/11/99</b>	\$6,091	\$1,989	\$27,582	\$35,662
<b>5/10/99</b>	\$ 20	\$ 225	\$16,507	\$16,752
<b>Change</b>	\$6,071 99.7%	\$1,764 88.7%	\$11,075 40.2%	\$18,910 53% (000s)

**Benchmark 2:** Number and value of deobligations identified, which can be made from expired grants, cooperative agreements, or contracts in M/OP's closeout unit.

None, all unliquidated obligations M/OP/Close-out are awaiting liquidating vouchers and therefore can not be deobligated.

**Benchmark 3:** Number and value of deobligations identified which can be made from expired grants, cooperative agreements, contracts, travel authorizations, etc., that are still within the Bureau (i.e. have not been transferred to M/OP's close-out unit).

95 - \$2,006,967. It should be noted that OTI has already deobligated \$124,000 of the \$2,006,967 in potential deobligations. OTI will work with M/OP to assure the prompt deobligation of the remaining \$1,882,967.

**Benchmark 4:** Number and value of deobligation actions submitted to M/OP and M/FM as appropriate.

95 – Deobligation Actions	\$2,006,967
77 – Adjustments by FM*	<u>\$3,566,484</u>
Total	<u>\$5,573,451</u>

\*Total above includes adjustments to be made by FM due to the NMS suspension.

## 5. WORKFORCE AND OPERATING EXPENSES

OTI's ability to manage transition assistance and carry out its mandate requires adequate staffing levels. In order to meet anticipated transition needs in FY01, the operating expense budget will need to increase in order for senior managers to effectively manage OTI's activities in priority countries.

As shown in the table below, in FY99 OTI has increased its staff level to 74, of which 7 are direct hires, 22 are Washington-based USPSCs, and 45 are field-based PSCs. For FY01, OTI seeks to increase its direct hire staffing level by 1 (for a total of 8) and its PSC staff. Given OTI's budget, the Office is already working with an extraordinarily low numbers of direct hires. With the budget increase requested for FY01, the addition of 1 direct hire (2 if the IDI/PMI are included) is a modest increase.

Furthermore, OTI anticipates that it will need to increase the number of field- and Washington-based PSCs in order to maintain fast, flexible, and targeted field operations. OTI expects to continue and expand its regional-hub model for transition response. This model relies on strong field staff to manage field operations in offices set up in critical population centers throughout the transition country.

<b>BHR/OTI WORKFORCE REQUIREMENT, FY 1998-2001</b>				
	Actual		Requested	
STAFF LEVELS	FY 1998	FY 1999	FY 2000	FY 2001
-- USDHs	7	7	8	8
-- USPSCs-W	16	22	22	30
-- Other – W			1*	1*
-- PSCs – Field	27	45	52	60
<b>TOTAL</b>	<b>50</b>	<b>74</b>	<b>83</b>	<b>99</b>
<b>BHR/OTI OPERATING EXPENSE and TRAVEL BUDGET, FY 1998-2001</b>				
OPERATING EXPENSE	FY 1998	FY 1999	FY 2000	FY 2001
-- Travel	\$85,000	\$100,000	\$125,000	\$175,000

\* Either a PMI or an IDI

In addition, because of the increase in program funding for FY01, OTI will need to increase its travel budget in order for direct hire staff to manage disaster operations and provide technical assistance to other related USAID field activities.

Workforce Tables

Org_BHR/OTI End of year On-Board  <b>FY 1999 Estimate</b>	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2	Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
<b>OE Funded: 1/</b>																
U.S. Direct Hire	7							7							0	7
Other U.S. Citizens								0							0	0
FSN/TCN Direct Hire								0							0	0
Other FSN/TCN								0							0	0
Subtotal	7	0	0	0	0	0	0	7	0	0	0	0	0	0	0	7
<b>Program Funded 1/</b>																
U.S. Citizens	40							40							0	40
FSNs/TCNs	27							27							0	27
Subtotal	67	0	0	0	0	0	0	67	0	0	0	0	0	0	0	67
Total Direct Workforce	74	0	0	0	0	0	0	74	0	0	0	0	0	0	0	74
TAACS								0							0	0
Fellows								0							0	0
IDIs								0							0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL WORKFORCE</b>	74	0	0	0	0	0	0	74	0	0	0	0	0	0	0	74

Workforce Tables

	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2	Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
<b>FY 2000 Target</b>																
<b>OE Funded: 1/</b>																
U.S. Direct Hire	8							8							0	8
Other U.S. Citizens								0							0	0
FSN/TCN Direct Hire								0							0	0
Other FSN/TCN								0							0	0
Subtotal	8	0	0	0	0	0	0	8	0	0	0	0	0	0	0	8
<b>Program Funded 1/</b>																
U.S. Citizens	45							45							0	45
FSNs/TCNs	30							30							0	30
Subtotal	75	0	0	0	0	0	0	75	0	0	0	0	0	0	0	75
Total Direct Workforce	83	0	0	0	0	0	0	83	0	0	0	0	0	0	0	83
TAACS								0							0	0
Fellows								0							0	0
IDIs								0							0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL WORKFORCE</b>	83	0	0	0	0	0	0	83	0	0	0	0	0	0	0	83

<b>FY 2000 Request</b>																
<b>OE Funded: 1/</b>																
U.S. Direct Hire	8							8							0	8
Other U.S. Citizens								0							0	0
FSN/TCN Direct Hire								0							0	0
Other FSN/TCN								0							0	0
Subtotal	8	0	0	0	0	0	0	8	0	0	0	0	0	0	0	8
<b>Program Funded 1/</b>																
U.S. Citizens	45							45							0	45
FSNs/TCNs	30							30							0	30
Subtotal	75	0	0	0	0	0	0	75	0	0	0	0	0	0	0	75
Total Direct Workforce	83	0	0	0	0	0	0	83	0	0	0	0	0	0	0	83
TAACS								0							0	0
Fellows								0							0	0
IDIs								0							0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL WORKFORCE</b>	83	0	0	0	0	0	0	83	0	0	0	0	0	0	0	83

Workforce Tables

Org								Total								
End of year On-Board								SO/SpO	Org.	Fin.	Admin.	Con-	All		Total	Total
FY 2001 Target	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2	Staff	Mgmt.	Mgmt	Mgmt	tract	Legal	Other	Mgmt.	Staff
OE Funded: 1/																
U.S. Direct Hire	8							8							0	8
Other U.S. Citizens								0							0	0
FSN/TCN Direct Hire								0							0	0
Other FSN/TCN								0							0	0
Subtotal	8	0	0	0	0	0	0	8	0	0	0	0	0	0	0	8
Program Funded 1/																
U.S. Citizens	50							50							0	50
FSNs/TCNs	41							41							0	41
Subtotal	91	0	0	0	0	0	0	91	0	0	0	0	0	0	0	91
Total Direct Workforce	99	0	0	0	0	0	0	99	0	0	0	0	0	0	0	99
TAACS								0							0	0
Fellows								0							0	0
IDIs								0							0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL WORKFORCE	99	0	0	0	0	0	0	99	0	0	0	0	0	0	0	99

FY 2001 Request																
OE Funded: 1/ U.S. Direct Hire Other U.S. Citizens FSN/TCN Direct Hire Other FSN/TCN	8							8 0 0 0							0 0 0 0	8 0 0 0
Subtotal	8	0	0	0	0	0	0	8	0	0	0	0	0	0	0	8
Program Funded 1/ U.S. Citizens FSNs/TCNs Subtotal	50 41 91 0 0 0 0 0 0							50 41 91	0 0 0 0 0 0						0 0 0	50 41 91
Total Direct Workforce	99	0	0	0	0	0	0	99	0	0	0	0	0	0	0	99
TAACS Fellows IDIs								0 0 0							0 0 0	0 0 0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL WORKFORCE	99	0	0	0	0	0	0	99	0	0	0	0	0	0	0	99

Workforce

MISSION :

BHR/OTI

USDH STAFFING REQUIREMENTS BY SKILL CODE

BACKSTOP (BS)	NO. OF USDH EMPLOYEES IN BACKSTOP FY 1999	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2000	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2001	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2002
01 SMG	1	1	1	1
02 Program Officer	4	4	4	4
03 EXO				
04 Controller				
05/06/07 Secretary	1	1	1	1
10 Agriculture				
11 Economics				
12 GDO	1	1	1	1
12 Democracy				
14 Rural Development				
15 Food for Peace				
21 Private Enterprise				
25 Engineering				
40 Environment				
50 Health/Pop.				
60 Education				
75 Physical Sciences				
85 Legal				
92 Commodity Mgt				
93 Contract Mgt				
94 PDO				
95 IDI				
Other*/ PMI	0	1	1	1
<b>TOTAL</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>8</b>

Please e-mail this worksheet  
in either Lotus or Excel to:  
Maribeth Zankowski  
@hr.ppim@aidw  
as well as include it with  
your R4 submission.

\*please list occupations covered by other if there are any



OC	Resource Category Title	FY 1999 Estimate	FY 2000 Target	FY 2000 Request	FY 2001 Target	FY 2001 Request
11.8	<b>Special personal services payments</b> IPA/Details-In/PASAs/RSSAs Salaries					
	<b>Subtotal OC 11.8</b>	0.0	0.0	0.0	0.0	0.0
12.1	<b>Personnel Benefits</b> IPA/Details-In/PASAs/RSSAs Salaries					
	<b>Subtotal OC 12.1</b>	0.0	0.0	0.0	0.0	0.0
21.0	<b>Travel and transportation of persons</b> <b>Training Travel</b> <b>Operational Travel</b> Site Visits - Headquarters Personnel Site Visits - Mission Personnel Conferences/Seminars/Meetings/Retreats Assessment Travel Impact Evaluation Travel Disaster Travel (to respond to specific disasters) Recruitment Travel Other Operational Travel					
	<b>Subtotal OC 21.0</b>	100.0	125.0	125.0	175.0	175.0
23.3	<b>Communications, Utilities, and Miscellaneous Charges</b> Commercial Time Sharing					
	<b>Subtotal OC 23.3</b>	0.0	0.0	0.0	0.0	0.0
24.0	<b>Printing &amp; Reproduction</b> Subscriptions & Publications					
	<b>Subtotal OC 24.0</b>	0.0	0.0	0.0	0.0	0.0
25.1	<b>Advisory and assistance services</b> Studies, Analyses, & Evaluations Management & Professional Support Services Engineering & Technical Services					
	<b>Subtotal OC 25.1</b>	0.0	0.0	0.0	0.0	0.0
25.2	<b>Other services</b> Non-Federal Audits Grievances/Investigations Manpower Contracts Other Miscellaneous Services Staff training contracts					
	<b>Subtotal OC 25.2</b>	0.0	0.0	0.0	0.0	0.0
25.3	<b>Purchase of goods and services from Government accounts</b> DCAA Audits HHS Audits All Other Federal Audits Reimbursements to Other USAID Accounts All Other Services from other Gov't. Agencies					
	<b>Subtotal OC 25.3</b>	0.0	0.0	0.0	0.0	0.0
25.7	<b>Operation &amp; Maintenance of Equipment &amp; Storage</b>					
	<b>Subtotal OC 25.7</b>	0.0	0.0	0.0	0.0	0.0
25.8	<b>Subsistence and support of persons (contract or Gov't.)</b>					
	<b>Subtotal OC 25.8</b>	0.0	0.0	0.0	0.0	0.0
26.0	<b>Supplies and Materials</b>					
	<b>Subtotal OC 26.0</b>	0.0	0.0	0.0	0.0	0.0
31.0	<b>Equipment</b> ADP Software Purchases ADP Hardware Purchases					
	<b>Subtotal OC 31.0</b>	0.0	0.0	0.0	0.0	0.0
	<b>TOTAL BUDGET</b>	100.0	125.0	125.0	175.0	175.0

## **ANNEX A**

# **OTI COUNTRY SELECTION PROCESS**

## SEIZING WINDOWS OF OPPORTUNITY: OTI COUNTRY SELECTION PROCESS

Before engaging in a country or region, OTI considers whether it can play a pivotal role in the transition. Funding levels are relatively modest, so programs must be carefully targeted for high impact. OTI poses five questions in determining whether to engage:

- ***Is the country significant to U.S. national interests?*** OTI programs are aligned with foreign policy objectives and priorities set by the secretary of state. Though many transitions might benefit from OTI's assistance, funding constraints require that we focus on countries of strategic importance to the United States. Humanitarian concerns also play an important role in engagement decisions.
- ***Is the situation ripe for OTI assistance?*** This question considers whether a country is in a phase of transition where OTI programming can help forward peaceful change. Typically, an event has occurred—an election, a peace accord, or some other settlement—that signals movement away from conflict or instability and toward more stable, democratic governance.
- ***Is the operating environment stable enough for OTI's programs to be effective?*** All conflict-prone environments present significant safety risks, but a modicum of security must exist for OTI to work effectively. When security conditions threaten the safety of reform-minded citizens or field staff, OTI will not engage until a more conducive security environment is established.
- ***Can OTI address the key political development issues of a transition?*** Countries enter transitions from many different starting points. OTI analyzes the political context to determine whether windows of opportunity exist for accelerating progress toward peace and stability. It asks whether its core programming strengths—promoting democracy and enhancing security—can help address the root causes of conflict or instability.

- ***How likely is it that program implementation will result in a successful outcome?*** Most transitions are volatile. Post-conflict environments can be especially unpredictable, sometimes shifting suddenly in a direction that makes implementing programs difficult or impossible. OTI carefully considers the myriad factors and forces that might affect its activities, and decides to invest based on the likelihood of progress.

In answering these questions, OTI elicits information from a wide range of sources. It draws on the knowledge of country experts, non-governmental organizations, other donors, and U.S. government intelligence sources. It also conducts an extensive review of academic journals, books, reports, and studies.

Additional perspectives inform the final decision. OTI confers with other offices within USAID, including regional bureaus, missions, and the offices of Foreign Disaster Assistance and Food for Peace. Discussions are also held with other parts of the U.S. government, such as the National Security Council, the Department of State, and the Department of Defense.

As part of the decision-making process, OTI conducts an in-depth field assessment as a basis for potential program strategy and design. Part of this assessment involves taking an inventory of all available in-country resources: Is there a USAID mission? Are American troops present? Is there an international peacekeeping force? Are other donors either interested in or actively implementing programs? What kind of local organizations and capacities exist?

Immediately upon entering a country, OTI begins formulating an exit strategy, an important component of which involves forging partnerships and creating synergies with other donor programs. This not only leverages funding and magnifies program impact, it also lays the groundwork for “handing-off” OTI-initiated activities to other investors—both local and international—to maintain the momentum for change.

# **ANNEX B**

## **COUNTRY PROFILES**

These country profiles were developed on the basis of information submitted by OTI's country teams in the field and in USAID/W. Because not all country teams have been able to review them in final, the profiles should be considered draft documents.

## Country Profile: *ANGOLA*

**Context:** After twenty years of civil war, in November 1994, the government of Angola and representatives of the National Union for Total Independence of Angola (UNITA) signed the historic Lusaka Protocol peace agreement. Years of conflict had devastated the country's infrastructure, internally displaced more than a million people, led to the exodus of hundreds of thousands, and left the country littered with mines.

**U.S. Foreign Policy Interests:** The U.S. has an interest in helping Angola build a strong, diversified economy. Oil reserves, large armed forces, and its potential to destabilize the region contribute to Angola's commercial and strategic importance.

**OTI Role:** OTI provided technical assistance to the United Nations during drafting of the Lusaka Protocol, and has provided critical input in the formulation of U.S. policy towards Angola. OTI has also facilitated dialogue among key stakeholders, worked to enhance democratic processes at the local level, and provided critical information to policy makers on events and developments in rural areas of the country.

**Focus/Program Design:** OTI worked to advance the peace process by: 1) increasing freedom of movement through mine action; 2) promoting self-help activities identified by Angolan communities; 3) enabling the flow of accurate news and information; and 4) responding to other windows of opportunity.

In FY 1999 OTI began to phase out this program because of the collapse of the Lusaka Protocol, and the continued lack of commitment to peace on the part of key actors.

**Relationship of OTI program to USAID Mission strategy and MPP:** OTI supported the Mission's SO1: Increased resettlement, rehabilitation, and food crop self-reliance of war-affected Angolans. Recently, OTI has worked with the Mission and the Regional Bureau on OTI's hand-off strategy. OTI has enjoyed close collaboration with the Mission and Embassy – actively participating in Mission strategy development and managing one of its programs on their behalf. There is no MPP.

## PROCESS INDICATORS:

**Resource Leveraging:** OTI's \$7.2 million investment in mine action and related information dissemination made possible the delivery of food and other humanitarian assistance totaling well more than \$200 million in USG/USAID and other donor programs.

Through its Community Revitalization Projects (CRP), OTI leveraged more than 60% of the inputs and 100% of the labor for community-based rehabilitation activities. In the grants administered by Creative Associates, Inc. (CREA), each dollar invested by OTI was matched by an average of 2–3 dollars of community investment. CREA initiated projects in areas where no other NGOs had been active, and its presence often encouraged the engagement of other NGOs in these under-served communities.

**Policy Leveraging:** OTI's focus on community revitalization and ownership influenced the Mission's program strategies. The community revitalization model was also adapted by the World Bank's Post Conflict Social Recovery Fund project. Amoco Oil also agreed to fund community revitalization projects. **[NB:** The Bank, Amoco, and other donors have since canceled all assistance to Angola because of the increase in violent conflict.]

## Advancing Change:

- Mine Action – in FY 1998, 250 Angolan de-miners were trained (for a total of 900); more than 200,000 Angolans have received mine awareness training/education (for a total of 2.2 million); and more than 1,000 kms of roads were opened to vehicle traffic.
- Self-help activities – In FY98, an additional 50 communities received assistance from OTI's Community Revitalization Projects (for a total of 310), directly benefiting a total of approximately 600,000 people. The communities have rehabilitated or opened 68 schools, 5 grinding mills,

2 major markets, 142 latrines, 396 kms of roads, rehabilitated or constructed 73 bridges, opened 412 kms or irrigation canals and source of potable water. Over 8,000 individuals received vocational training.

- The CRP model successfully established durable patterns of participatory decision-making and created sustainable self-help interventions by: 1) unifying fractured social, political, and traditional structures; 2) providing start-up capital for communities to begin investing in the future; 3) revitalizing municipalities' farm-to-market patterns; 4) fostering commerce and freedom of movement; and 5) facilitating the formation and training of representative community organizations and associations.
- Information – OTI continued to fund “off-shore” daily half-hour newscasts into Angola, providing the most objective and complete news reporting available in the country.

## **BROADER RESULTS AND LESSONS LEARNED**

In countries where all of the major political actors are unwilling to work towards peace and democracy, OTI and other international actors are unlikely to effect national change.

Transition assistance works best in effecting reconciliation between opposing civilian populations with shared rehabilitation goals and/or mutual economic interests.

Symbolic infrastructure projects can give project staff an opportunity to test the organizational capacities of different communities, understand the power dynamics, filter and identify the effective leaders and workers in a community, and evaluate the community's belief and willingness to invest in the peace process.

After initial stabilization of formerly displaced communities, participation in the reconstruction or construction of community owned infrastructure becomes the next factor associated with higher levels of resettlement. People who have a sense of ownership in their communities are less likely to be displaced from their homes even when armed conflict erupts in their region.

Community investment is required if projects are to have a chance of sustainability. Emergency assistance without community investment may not contribute as much to the to the perceived potential for a better quality of life.

Reconciliation between civilians in warring communities is feasible when: 1) the economic interests of all parties are involved; 2) project-specific information is disseminated equally to both sides; and 3) when project-activities bring together officials from different factions to interact on technical grounds.

Though conditions in Angola have seriously deteriorated, concluding in the withdrawal of OTI partners (including CREA, the World Bank, and the Mission), OTI programs built a foundation at the rural level for participation and future democratic processes.

## **FUTURE PROSPECTS AND EXIT STRATEGY**

OTI will be phasing out its Angola program in FY1999.

## **OTHER**

### Evaluations:

January 1998:

Listenership survey of the OTI-funded VOA special daily news broadcasts.

November 1998:

*Angola Community Revitalization Projects: A Review of Accomplishments & Study of Impact.* Final Report. Creative Associates International, Inc. – CREA/Angola.

## Country Profile: *DEMOCRATIC REPUBLIC OF CONGO*

**Context:** In May 1997, a rebellion suddenly overturned the corrupt reign of Zaire's long-time dictator Mobutu Sese Seko. Soon after, Laurent Kabila — the Rwandan-backed leader of the rebels — assumed the presidency and the country was renamed the Democratic Republic of Congo (DROC). The years of corrupt rule had devastated the country's infrastructure, impoverished most of the country's citizens, and severely undermined the basic foundations of governance.

**U.S. Foreign Policy Interests:** DROC's wealth of natural resources and strategic location make it vitally important to the political and economic stability of Central Africa. Conflict in DROC is a destabilizing force in the region.

**OTI Role:** OTI managed the first USG assessment of post-Mobutu development and transition opportunities, and set up offices in Kinshasha and three regional hubs: Lumbumbashi, Kananga, and Bukavu. Its efforts focused on improving governance at all levels and have enhanced many citizens' ability to participate in democratic processes. OTI has also provided critical information and analysis that informed US policy towards the country.

**Focus/Program Design:** Demonstrating the benefits of peace and democratic processes by: 1) providing opportunities for civil society organizations to deliver services and increase participation of citizens; 2) supporting participatory decision-making processes at the provincial government level and below; and 3) focusing on rule of law issues such as human rights and transparency. Assistance is provided through a small grants program. To increase the potential for positive impact in a country as large and diverse as DROC, OTI opened regional offices.

**Relationship of OTI program to USAID Mission strategy:** Beginning with the initial assessment, OTI established collaborative relationships within USAID and with the Department of State. OTI offices in Kinshasha are co-located with the USAID Mission and it collaborates with the Africa Bureau in the development of an overall agency plan for Congo. OTI staff have been directly involved in planning the MPP.

### PROCESS INDICATORS

**Speed:** Within a few months of Kabila's overthrow of Mubutu, OTI was making its first grants and opening regional offices. It can take as little as a couple of days to fund a small grant. After evacuation at the end of FY98, the DROC program quickly re-established momentum by approving new grants (in Katanga and the Kasais) within days of return.

**Targeting:** OTI has activities at the provincial level and below. It has also targeted civil society organizations, newly elected local politicians, and reform-minded organizations and individuals. Additionally, OTI focused project activities in regional hubs in order to establish a presence in key economic and political population centers. Regional targets have shifted in response to military action around the country: OTI has suspended activities in Bukavu (September 1998), and has redirected programming activities to include Kinshasha.

**Resource Leveraging:** Because of the violence in DROC in 1998, many potential leveraging opportunities evaporated. However, the small grants program still requires significant in-kind, labor, or management contributions from the communities.

**Policy Leveraging:** Throughout OTI's program, it has maintained close links to the NSC, inter-agency working groups (Great Lakes Justice Initiative, Preventing Genocide), the DOS, and other donors. OTI has provided critical input to the formulation of US policy towards the country, and facilitated discussions between the USG and the private sector. It has also provided critical information to policy makers on events and developments in the rural areas of DROC. OTI staff have provided input for the MPP.

**Advancing Change:** OTI's activities in DROC have helped the populace understand that they are able to participate in and influence good governance at the local level. In FY98, 71 sub-grants, originally valued at \$1,630,000 were approved and began activities. Because of violent conflict, some activity results have been delayed. The most popular community-identified activities were road/bridge repair and education-related programs.

## **BROADER RESULTS AND LESSONS LEARNED:**

- OTI's decentralized regional approach and community-level efforts consistently resulted in "buy-in" from other key actors. OTI projects enjoyed a high degree of collaboration with other USAID programs (humanitarian and development), bilateral and multilateral donors, as well as international NGOs.
- Insistence that every initiative involve members of the local government, civil society, and the community at large often did more to create transparency and build confidence than any projects specifically designed to do so.
- Cooperation with other donors on large local initiatives often slowed the already process-intensive nature of the projects, given donors' different funding requirements. OTI could produce results more rapidly, given the nature of IDA funding, when it worked on its own.
- Committed local staff willing to take the risks can continue managing activities even after expatriate staff are evacuated.
- Programming activities through regional hubs can increase local-level impact, but a program in the capital may also be required to enhance the potential for national-level impact.

## **FUTURE PROSPECTS AND EXIT STRATEGY**

**Exit strategy and timeframe:** OTI is reconsidering its role in DROC in light of the renewed conflict.



## Country Profile: *CROATIA*

**Context:** In 1990, Croatia declared its intent to secede from the Federal Republic of Yugoslavia, igniting fear among Croat Serbs that they would become minorities in a hostile break-away republic. After receiving recognition as an autonomous state from the European Union and the United States, Croatia argued that much of Bosnia-Herzegovina (which had a significant Croat population) should be part of a larger Croat state. Serbia responded by attempting to militarily annex Serb regions of Croatia – the opening salvo of a Balkans conflict characterized by horrific campaigns of ethnic cleansing. The complex ethnic linkages among the republics of the Former Yugoslavia — especially Bosnia-Herzegovina, Croatia, and the Federal Republic of Yugoslavia (Serbia and Montenegro) — requires a regional approach to peace-building.

**U.S. Foreign Policy Interests:** As one of the more powerful former Yugoslav republics, Croatia is vitally important to durable peace in the Balkans. The U.S. has a strong interest in eliciting Croatia's cooperation in implementing the Dayton Agreement, and in supporting democratic reform that enhances prospects for long-term regional stability.

**OTI Role:** OTI its Croatia program in July 1997, recognizing that progressive change in Bosnia-Herzegovina was partly contingent on the intentions of its powerful neighbors. OTI efforts to influence attitudes, perceptions, and expectations in Bosnia-Herzegovina, the Federal Republic of Yugoslavia (Serbia and Montenegro), and Croatia were viewed as elements of a single regional peace-building and democratization program.

**Focus/Program Design:** The Croatia program largely replicated the program strategy and objectives of the Bosnia program: 1) to increase the public's access to complete, objective and accurate information fundamental to an informed and engaged citizenry; 2) to promote and support greater popular participation in public policy decision-making and vigorous social debate on critical social, economic and political issues; 3) to improve the transparency and accountability of government and public institutions to citizen taxpayers; 4) to contribute to the return and reintegration of internally displaced persons and refugees; and 5) to foster post-conflict reconciliation.

Currently, these objectives are being addressed through three key program themes: support for independent media information and news broadcasts; a pre-election campaign (get out the vote, voter education, monitoring, etc), and dissemination of information promoting return and reintegration of IDPs and refugees.

**Relationship of OTI program to USAID Mission strategy:** OTI activities support two Mission SOs: SO1: Return/reintegration of war-affected populations. SO2: Increased, better informed citizens' participation in political process. OTI in Croatia has a very strong relationship with the USAID Mission. In many instances, OTI activities complement the Mission's strategy by supporting immediate media and civil society activities, while the Mission invests in longer term training and technical assistance.

## PROCESS INDICATORS

**Speed:** Estimated time between identification of a project and cutting of a grant is 45-60 days.

**Targeting:** Civil society groups, independent media, inter-ethnic communities. The target groups have not changed, but the specific type of groups within sectors has shifted. For example, within the media sector, OTI has increased its focus on electronic media as opposed to print media. In the case of civil society and interethnic communities, the geographic locations have shifted to focus efforts where the potential for impact was greater.

**Resource Leveraging:** There have been a number of instances of joint funding by OTI and USAID implementing partners. During the upcoming pre-election campaign, OTI and the USAID Mission will work with the EU, OSCE and other donors on cooperative financing of the campaign. The EU has \$450,000 earmarked for this activity, other donors may contribute up to \$300,000. Virtually all OTI support in this area will be leveraged with these other donors.

## Advancing Change:

Total Political Transition Grants as of May 15, 1999:

Media Development PTGs:	47	Total Est. Value: \$ 860,734
Civic Org. Development PTGs:	89	Total Est. Value: \$ 691,279
Total Value of Grants to Date:	136	\$1,552,013

### Impact:

- An OTI-supported campaign against a law restricting public gatherings was successful in overturning the law.
- An OTI-supported campaign on stopping violence against women gained support from the government and one instrument (post cards) was reprinted in April issue of *Cosmopolitan* in an article on women activists.
- SOS Adriatic, an environmental campaign against a thermal plant on the Adriatic, was successful in convincing government officials to come out against the project.

## BROADER RESULTS AND LESSONS LEARNED

OTI can only do so much if broader U.S. foreign policy interests do not complement and/or incorporate OTI efforts. OTI must be considered a part of the overall USG country strategy by the US Mission in the country and in Washington if our efforts are to have maximum impact.

## PARTNERSHIPS

**Within the USG:** OTI Croatia is very closely linked to the Mission, with much of our programming complementing Mission activities. OTI may further this relationship by assisting the Mission program up to \$1,000,000 of the frontline state money that will go to Croatia to mitigate the impact of the NATO campaign. Close collaboration with the Mission, combined with OTI's ability to program and disburse funds quickly, is making this a possibility.

**OTHER PARTNERSHIPS:** OTI's local personnel are the envy of the USAID Mission and other donors. Their relationships with local authorities, independent media, and members of civil society is what makes this program so effective. They are the critical to this program.

## FUTURE PROSPECTS AND EXIT STRATEGY

**Planned Adjustments:** Programming and managing frontline funds for the Mission will require some planning and adjustments in responsibilities for local staff. Also, if the elections are earlier than anticipated OTI will need to shift greater focus to assisting its implementing partners mount a "get out the vote" campaign (planning, technical assistance, etc) .

**Exit Strategy and Timeframe:** OTI will phase out a few months after the expected parliamentary elections, which are scheduled for late December 1999. The elections will either lead to a long-term, sustained transition that will require assistance from more traditional donor mechanism, or it will stall, perhaps reverse, the transition altogether. OTI will phase-out around March 2000, allowing for wrap up of activities, post election analysis, and smooth transition for local staff .

Preliminary discussions are underway with the Mott Foundation to fund long-term support to civil society through legal reform, development of NGO coalitions, and technical training.

## Country Profile: *FEDERAL REPUBLIC OF YUGOSLAVIA*

**Context:** In 1988, Slobodan Milosevic rose to power on a wave of Serb nationalism that fueled fear among Yugoslavia's other ethnic groups. He revoked the relative autonomy long enjoyed by the province of Kosovo, and rendered Kosovar Albanians second-class citizens. Croatia and Slovenia declared independence from the Federal Republic in 1991, touching off Serb fears of ethnic domination. In the terrible conflict that followed, Serbia provided military and political support to Serb separatists in Bosnia and Croatia in the hopes of forming a "Greater Serbia." In "cleansing" disputed regions of other ethnic groups, Serb separatists committed indescribable crimes against humanity. In February 1998, Serbia moved federal troops into Kosovo. After several months of peace negotiations, it became clear that another campaign of ethnic cleansing was occurring in Kosovo, and on March 24, 1999, NATO forces began air strikes against Serbia.

**Foreign Policy Interests:** The U.S. has a strong interest in the stability and democratic development of the Balkans. Continued conflict in the Federal Republic of Yugoslavia (FRY) threatens the safety and territorial integrity of neighboring countries.

**OTI Role:** OTI's FRY program opened in July 1997 following a series of street demonstrations in January-February that signaled a possible crack in the Milosevic regime. For the first time since the breakdown of Yugoslavia and the subsequent wars, it appeared as though the nascent opposition could potentially emerge as a true force in the FRY and initiate a democratic transition in the last Socialist hold-out of Eastern Europe. At the time, the flagging civil society (both media and NGOs) faced a dire need for a quick infusion of funds. OTI was one of the first donors in the country, providing a modicum of protection to our partners and a window to the outside. Sadly, since the recent NATO action began, the protection provided by association with a group like OTI has turned into a direct threat against our partner groups (see lessons learned).

**Focus/Program Design:** Reflecting OTI's regional strategy in the Balkans, the FRY program built on the program design for Bosnia and Herzegovina, focusing on: 1) increasing the professionalism, viability, availability, and responsiveness of the region's media institutions through support to print and electronic media; and 2) supporting civil society initiatives and NGO efforts to open the political system, expand civic participation, and increase democratic practices. OTI's Kosovo Transition Initiative (see "Re-targeting" section) was suspended when NATO air strikes began.

Currently, OTI is active in the frontline states of Macedonia and Albania. In close cooperation with OFDA's DART teams and other humanitarian agencies, it is working to relieve the stress on Albanian and Macedonia host communities, and to provide hope to refugees. It is also supporting former implementing partners in media, civil society, and governance — now in exile — who are continuing to serve Kosovar refugee populations.

**Relationship to USAID Mission strategy:** As the Mission was setting up, OTI/FRY was able to give USAID a "face" during the important first few months in a country. OTI's outreach and regional approach via local program specialists allowed a broad-range of Serbs, Montenegrins and Kosovars to access and understand the US assistance program. Over time, the relationship with the Mission evolved into one of collaboration and complementarity. OTI is able to provide direct, operational resources to partner groups while the Mission provides, among other things, international technical expertise that builds capacity.

### PROCESS INDICATORS

**Speed:** OTI was one of the first donor organizations to respond to the opportunities in Serbia posed by the protests in the winter of 1997, but our response may have been too late. The Serbian opposition needed immediate support following the January 1997 protests; OTI was not able to get in country until June. However, once on the ground, the program moved with speed and efficiency throughout implementation. Grants typically turned around within 2-4 weeks, some within days.

When the USG began designing large-scale programs following the (now failed) October 1998 peace agreements, OTI rapidly conducted an assessment, designed a program, and began implementing its Kosovo Transition Initiative. There were many plans for major governance programs, but few resources able to move quickly. OTI provided grants to a few law schools and legal clinics to demonstrate the USG commitment while longer-term programs were being set-up.

**Targeting:** The key here has been to find the change-agents and support them, regardless of their official status. Whether these agents were student groups or independent video producers, Serbia was in dire need of fresh ideas, hope and new voices. OTI was able to engage some of the key leaders in a wide array of fields.

OTI's Kosovo Transition Initiative was to support community-based projects that would: 1) foster participatory decision-making, 2) empower local citizens; 3) strengthen moderate voice and leadership; 4) restore or improve public services; and 4) refurbish or repair homes, schools, community centers and clinics. In March 1999, OTI staff were evacuated just prior to the start of NATO action against Serbia, and OTI shifted focus to supporting Kosovar refugees and host communities in frontline states.

**Policy and Resource Leveraging:** OTI's support to independent media is an excellent example of how OTI's flexible and responsive resources can directly impact donor dialogue. In the development of the ANEM Network, OTI played a strong role in uniting a broad-range of donors for a multi-million dollar support package — and helped ensure that the network remain open and transparent in its activities.

### **Advancing Change:**

#### Key reforms:

- Developed new election support models during the May 1998 Montenegrin Parliamentary Elections, contributing to the election of the reform-minded and pro-west Djukanovic regime.
- Free media became a potent political force via the OTI-sponsored ANEM network in Serbia. OTI support quickly expanded the signals and footprints of ANEM members, rapidly giving the network much greater coverage and credibility.
- Initiated a shift from state-controlled media towards a more public-broadcasting model in Montenegro.
- Developed models for and provided legal support to journalists via legal defense funds in Serbia.
- Via OTI-funded public hearings and roundtables in Montenegro, built transparency and supported the eventual drafting of one of the fairest and most supportive NGO laws in the Balkans region.
- NGOs emerged as more effective change-agents, running wide-scale public education campaigns.

#### Project Statistics Through Mid-December 1998

Total number of grants:	235	
Belgrade Office:	186	\$2,463,000
Nis Office	17	\$ 111,000
Podgorica Office	32	\$ 334,000
(Pristina grants were funded via Belgrade through this period)		
Media grants	136	\$2,092,000
NGO grants	99	\$ 817,000

## **BROADER RESULTS AND LESSONS LEARNED**

Again, there was a missed opportunity that OTI did not arrive in Belgrade in January 1997 to directly support the opposition movement. The six months lost in setting up operations saw a concurrent decline in optimism and in belief that the international community supported the opposition. OTI should have a team of people available to jump at a moment's notice if a window of opportunity opens in the closed countries around the world. **(NB: OTI's new SWIFT mechanism is designed to address this need.)**

When working in a hostile environment, OTI should always be cautious to the danger that some of its partners may face if things go sour. This was a hard lesson learned in Serbia, when one of our key media partners was assassinated shortly after the NATO campaign began. Partners should come to OTI by choice and should never be coerced to do things they do not feel comfortable doing. Our ability to "protect" activists in these countries should never be overestimated.

OTI needs to keep pushing the edge of appropriate uses of BHR's "notwithstanding" legislation. Given that OTI's position is closely linked to the broader USAID Mission, there is pressure on the office to follow all administrative rules and regulations rigorously — slowing down an operation.

## **PARTNERSHIPS**

**Key partners:** USAID Mission, Soros, EU, British, Swedes, Internews, ABA/CEELI, NDI, DAI.

OTI's most important partnership was with the Open Society Institute (Soros Foundation). Numerous projects, ranging from printing presses to production studios to NGO conferences, were jointly funded and sponsored between the two organizations. Soros and OTI were considered the two most responsive and effective donors in the region, and our ability to communicate honestly with Soros enabled us to reinforce each other's programs and messages.

## **FUTURE PROSPECTS and EXIT STRATEGY**

OTI's 1998 Kosovo strategy may still be relevant if post-NATO action opportunities for civilian reconstruction efforts emerge.

## **OTHER**

The European Union (EU) modeled their micro-grant capability after the successful OTI program. The EU's Ambassador to Belgrade, Michael Graham, stated, "We are completely envious of your ability to made a difference".

A group of American NGOs meeting together after the evacuation from Belgrade commented, "We consider OTI one of us... not just a donor organization, but a group that really cares and really works as a partner with us."

From ANEM, "OTI is a breath of fresh air; a straight-shooting player able to help out without the maddening paperwork, bureaucracy and delay of other donors."

At the conclusion of an OTI-sponsored donor conference on support for the Montenegrin government's reform efforts, Minister of Justice Dragan Soc commented, "This is the beginning of a beautiful friendship."

## Country Profile: *HONDURAS*

**Context:** Hurricane Mitch wrought great destruction in Central America during October 1998. The initial estimates of the human toll were immense — more than ten thousand lives lost and more than one million people homeless. In Honduras alone, the damage to infrastructure and productive capacity was estimated at \$3 billion.

**US Foreign Policy Interests:** A top priority is to assist in the post-Hurricane Mitch recovery and reconstruction process. To the extent Honduras is able to offer a better quality of life to its citizens, the pressures that result in illegal immigration will be reduced. U.S.-Honduran ties are further strengthened by numerous private sector contacts, with an average of 110,000 U.S. citizens visiting Honduras annually, and approximately 10,500 Americans residing there. In recent years, more than 100 American companies have been operating in Honduras.

**OTI's Role:** LAC and USAID/Honduras requested OTI to consider options for short-term assistance to address high priority needs in housing and economic reactivation that fell between emergency relief and the commencement of major donor resource flows for reconstruction. In the absence of alternative resources, small timely initiatives can make a disproportionate difference in critical recovery areas. U.S. credibility was on the line relative to the need to quickly move flood victims out of temporary shelters (financed in part by OFDA) into permanent housing, so as to avoid the inevitable consequences of prolonged stays in such shelters — loss of hope, deteriorating human conditions, and political repercussions.

**Focus/Program Design:** OTI's focus in Honduras is on maximum participation of beneficiaries, local organizations and other donors (flood victims, NGOs, municipalities, the Government of Honduras, and the Inter-American Development Bank) in a variety of team efforts, including: 1) an emergency housing project for Tegucigalpa flood victims housed in temporary shelters in the city; 2) a longer-term activity to repair key transportation links in the worst hit areas of the country; and 3) (potentially) an oversight mechanism to assure accountable and transparent management of aid flows, with a companion civil society activity to enhance public oversight for the same purpose.

### PROCESS INDICATORS

**Speed:** The OTI assessment commenced in mid-January 1999. By mid-February the housing project had been approved and funded. Initial staff was hired in late February and the first grant commenced active implementation on March 1. The entire process took less than six weeks.

**Targeting:** OTI is addressing the key impediments to a successful transition from emergency assistance to longer term development. The target group for the housing project consists of some 2,000 homeless flood victim families residing in temporary shelters in the Tegucigalpa area. For the rural roads project, the target group is comprised of the economically active population needing access to markets and sources of supply in rural areas hit hardest by the hurricane. For the transparency initiative, the target is the country as a whole, the objective being to commence development of a practice and culture of transparency in both Government and society as a whole.

**Resource Leveraging:** The housing project draws extensively on resources provided by the NGO community, flood victims themselves, and other donors. OTI funding will cover only approximately 25% of the actual cost of housing solutions provided. In the case of the transparency initiative, OTI funding will cover only a very small fraction of the total cost of activity and will serve mainly as a catalyst. In the case of rural roads, OTI funding will cover management costs but not actual construction work, which will amount to over 20 times the OTI contribution.

**Advancing Change:** Housing: Some 2,000 families and a number of NGOs (15 to 20) will be assisted with technical and financial support and innovative incentives to rapidly develop mutually supportive permanent housing initiatives, taking maximum advantage of local resources and talent. A coordinating facility will assure adequate information sharing and linkage arrangements among beneficiaries and participating organizations. The housing project is developing a model approach which significantly strengthens beneficiary participation and negotiating power, thus

facilitating greater efficiencies, lower cost, and market based matching between suppliers and receivers (actual buyers) of services.

**Rural Roads:** An implementation unit with a built-in concurrent audit facility will be established in the Social Investment Fund, an autonomous institution of the Government of Honduras. The project will assume total responsibility for strategic targeted areas of the country and will work in close collaboration with concerned municipalities and communities.

The transparency initiative, if it moves forward, will result in the first multi-donor implementation oversight mechanism of its kind, and may serve as a prototype for other contexts involving institutionalized corruption.

## **BROADER RESULTS**

**Results:** In the housing project, initial results in terms of active participation by the NGO community are very encouraging. The level of interest and participation is growing as participants and flood victims realize they can increasingly influence the course of events and resource flows based on their own requirements.

## **PARTNERSHIPS**

**Within the USG:** The housing project is being implemented in a manner that complements the USAID Mission's housing strategy. Mission planning for its own housing sector goals is still evolving, but it may decide to expand the OTI scheme due to the advantages presented in terms of efficiency, cost and established design and operating mechanisms. The roads project, designed by OTI consultants, will be managed by the Mission with partial OTI funding. The transparency oversight initiative, if it proceeds, will probably be managed by the Mission with OTI consulting inputs. The civil society activity, if it proceeds, will more than likely be managed by OTI in close cooperation with the Mission.

**Other Partnerships:** International Organization for Migration, the Municipality of Tegucigalpa, the Foundation for Cooperative Housing (CHF), and participating NGOs.

## **FUTURE PROSPECTS AND EXIT STRATEGY**

**Planned Adjustments:** In the case of housing, this may involve an arrangement with the Mission to incorporate a wider target group.

**Exit Strategy:** Hand-off of all activities to Mission management will probably occur by the end of calendar year 1999.

## Country Profile: *INDONESIA*

**Context:** A plummeting rupiah, soaring inflation, massive capital flight, endemic corruption and nepotism exacerbated political turmoil in Indonesia. Widespread civil unrest, rioting and public pressure led President Suharto to resign in May 1998, handing over power to his vice president, B.J. Habibie. National parliamentary elections were held on June 7, 1999 and were largely peaceful. Indonesia continues to face enormous economic and political challenges, and the period running up to parliament's naming of a new president in November 1999 will be critical in laying foundations for a sustained democratic transition.

**U.S. Foreign Policy Interests:** The U.S. has important economic, commercial, and security interests in Indonesia. It is a linchpin of regional security due to its strategic location astride a number of key international maritime straits, and the two countries share the common goal of maintaining peace, security, and stability in the region. U.S. exports to Indonesia in 1997 totaled an estimated \$4.5 billion.

**OTI Role:** OTI provided critical, rapid, and catalytic support to advance the debate on the political transition process in Indonesia. OTI offered timely assessment of a rapidly moving political situation, developed rapid response cooperative agreements with three well-established NGOs to fund sub-grants, and contributed additional expatriate/Indonesian talent.

**Focus/Program Design:** Key areas of focus are: 1) a mass marketing media campaign that promotes messages of tolerance, peace, unity in diversity, and the importance of voting; 2) preparing the populace for elections, working particularly with grassroots organizations to expand their voter education capabilities; 3) strengthening civil society organizations, targeting activities that enhance their role as agents of change for the transition to democracy; 4) building the capacity of media to better understand and cover political processes; 5) improving civil-military relations by facilitating dialogue among key players.

OTI uses a number of implementation partners. For the first 12 months OTI designed 3 rapid response cooperative agreements with The Asia Foundation, PACT and LP3ES to fund and manage sub-grants. In October 1998, OTI partnered with DAI to provide financial implementation and oversight of OTI grants to local Indonesian NGO's at three regional offices. Later, OTI added to these partners a grant to Internews to strengthen independent media.

**Relationship of OTI program to USAID Mission strategy:** OTI is fully integrated in the USAID Mission's democracy strategic objective. Under the SO, OTI has initiated joint activities with the Mission such as the mass media campaign, complemented other Mission activities, such as voter education for the elections, and initiated new activities such as ones that strengthen independent media.

## PROCESS INDICATORS

**Speed:** OTI sent an assessment team to Jakarta at the end of June 1998. The rapid response cooperative agreements were signed with The Asia Foundation, PACT and LP3ES by August with the first grants being approved for funding within two weeks. DAI responded within 10 days of its selection by traveling to Jakarta to begin office set-up and grants management.

**Targeting:** The voter education program targeted all eligible voters (140 million) by partnering with various civil society NGOs. Media activities focused on strengthening local radio stations and newsprint organizations.

**Resource Leveraging:** Every organization provided a "grantee contribution" to the proposed activities, such as staff, office space, or matching funds.

**Policy Leveraging:** OTI participates in a number of election and media-related coordination meetings. In the area of civil-military relations, extensive coordination was done with the Embassy, USIS and DOD to determine the team members for a civil-military assessment, and to gain support for the conclusions and recommendations of the assessment.



**Advancing Change:**

As of May 28, 1999, totals for Political Transition Grants included:

39 civil society grants valued at \$700,000

90 election related grants valued at \$103,000

48 media grants valued at \$4.8 million

8 civil-military grants valued at \$103,000

Total: \$7.4 million

**Impact:**

The early success of the television public service announcements was demonstrated by polling conducted during and after the anti-violence pilot campaign that took place from November 1998 to January 1999. These revealed that up to 88% of Indonesians polled were aware of the PSAs; 66% accurately perceived the message; 42% said the message influenced their actions; 38% said the PSAs gave them encouragement.

**BROADER RESULTS AND LESSONS LEARNED:**

**Relationship of program to overall country context:** As the election approached, OTI focused on a voter education program. In the post-election period, it will focus greater attention on engaging Indonesians by providing civic education through civil society organizations and expanding its civil-military program to address key issues in the transition process.

**Lessons Learned:**

Working with a group of Indonesian experts to formulate messages for the public service announcements (PSAs) contributed significantly to their positive reception. Continuous polling during and after PSA campaigns helped refine the messages, maximizing their impact.

Mass media campaigns can be important levers for changing societal attitudes, perceptions, and actions.

A close relationship with the USAID Mission and partnering with NGOs that had extensive experience and knowledge of Indonesia facilitated optimal response.

Wise use of consultants to provide immediate technical expertise during key phases of program implementation improved the overall caliber of response. OTI identified and hired consultants on civil-military relations and campaign management/training.

With regard to program management, OTI has developed a database to capture and track funding decisions, grantee contacts, activity, and impact. This database is being used as a model for other OTI country programs.

## **PARTNERSHIPS**

**Within the USG:** OTI's success has been based on its strong relationship with the Mission. Examples of the good relationship include the joint mass media campaign, election related activities and joint interest in improving civil-military relations. OTI also enjoys strong relationships with the ANE Bureau, State and G/DG.

**Other Partners:** The Asia Foundation, PACT and LP3E, DAI, and Internews.

## **EXIT STRATEGY**

The time-frame for OTI assistance is 24 months, with a hand-off to the USAID Mission of activities that require continued development-focused assistance, such as strengthening independent media and civil-military relations. The planned exit date is September 30, 2000.

## Country Profile: *LIBERIA*

**Context:** After 7 years of brutal conflict, 13 failed peace accords, and nearly \$1 billion of U.S. humanitarian assistance, Liberian warlords agreed to a cease-fire in August 1996 and an election that brought former warlord Charles Taylor to power in 1997. Although the peace has held, Taylor's government has not succeeded in establishing an enabling environment for reconstruction. Recurrent violations of human and civil rights, including harassment of the media, inability to attract foreign investment, and low levels of voluntary repatriation of refugees are some of the challenges impeding progress in Liberia.

**U.S. Foreign Policy Interests:** Liberia has had close ties to the US since its founding by freed slaves. It has long been on the receiving end of large expenditures of US foreign assistance, and in the 1980s had the highest assistance per capita in Africa. The U.S. seeks to ensure a sustainable peace and meaningful democracy in Liberia. Such a peace would also contribute to regional stability in West Africa.

**OTI Role:** OTI has partnered with USAID's Africa Bureau to respond to the needs of Liberia's political transition.

**Focus/Program Design:** OTI works to enhance stability and democratic processes in Liberia. In FY1988, this focus included supporting alternative news outlets and the dissemination of objective information, and strengthening economic reform efforts. OTI is not planning further activities.

In FY1998, OTI continued its earlier work with the media, funding Search for Common Ground's Talking Drum Studio. In the past year, OTI also funded a monetary audit of the National Bank of Liberia, and fielded a human rights expert to monitor treason trials and assess Liberia's rule of law. OTI also designed a private sector initiative to fund the recovery of Liberian commercial farming in areas of high unemployment.

**Relationship of OTI program to USAID Mission Strategy:** OTI has chosen to partner with USAID/Liberia, creating a synergy in strategy and design of activities. Its work supported the Mission's SO1, Successful democratic transition, including free and fair elections; and its SO2: Successful transition from relief to recovery through a community reintegration program.

## PROCESS INDICATORS

**Speed:** OTI has been able to respond quickly to needs in Liberia. As an example, the Department of State and the National Security Council approached OTI in December 1998, seeking assistance in fielding a human rights expert to monitor the treason trials. OTI had an expert on the ground in early January 1999.

**Targeting:** OTI's work with alternative media targeted up-country populations, providing these communities with independent information.

**Resource Leveraging:** The IMF leveraged OTI's monetary audit of the National Bank of Liberia (NBL) through a corresponding fiscal audit. These audits in turn established base-line information used to restructure the NBL, helping it to build sound economic policy.

**Policy Leveraging:** The report from OTI's human rights expert on treason trials and rule of law has contributed to the formulation of U.S. policy in post-conflict Liberia.

**Advancing Change:** Talking Drum Studio produces civic education and reconciliation programs and well as community drama shows aired on eight Liberian radio stations.

## **BROADER RESULTS AND LESSONS LEARNED**

**Relationship of program to overall country context:** OTI was able to help jumpstart innovative projects (STAR and Talking Drum Studio) that were later picked up by the USAID Mission. In addition, it was able to assist on key transition issues, for example, macroeconomic reform. This mix of activities was successfully implemented despite the changing and often risky environment of Liberia.

**Lessons Learned:** The U.S. could have engaged Taylor's government in a more aggressive way, establishing earlier on benchmarks of progress linked to assistance.

## **PARTNERSHIPS**

**Within USG:** OTI benefits from successful partnerships with the USAID mission, the Africa Bureau and G/DG. Outside USAID, OTI maintains strong links with the Department of State and the National Security Council.

**Other Partnerships:** Other critical partnerships include those with the World Bank, the IMF, the Dutch Government, UNDP and Search for Common Ground.

## **FUTURE PROSPECTS and EXIT STRATEGY**

OTI's role in Liberia is expected to end in 1999, with the USAID Mission taking over implementation of all initiatives, including the private sector initiative designed by OTI.

## Country Profile: *NIGERIA*

**Context:** After thirty years of military rule, Nigeria has embarked on a new experiment in democracy. Over the past 12 months, the country witnessed a swiftly changing chain of events set in motion by the death of military dictator Sani Abacha in June 1998. Abacha's successor, General Abdulsalami Abubakar, implemented a series of political, economic, and military reforms designed to restore national unity and a democratic government in Nigeria. Reforms paved the way for elections in December 1998-February 1999 that resulted in new leadership at the federal, state and local levels.

**U.S. Foreign Policy Interests:** The transition to civilian government, heralded by the May 29, 1999 inauguration of elected President Olusegun Obasanjo, is being carefully monitored by the US Government. Nigeria's large population, economy and trade links make it critical to the stability of all of West and Central Africa. Its predominant role in regional security is highlighted by its leadership in the Economic Community of West Africa (ECOWAS) and its military monitoring group, ECOMOG. Its rich oil and gas resources also make it a key player in those industries. For these reasons, the Department of State has designated Nigeria as one of the four countries whose democratic transition is of highest priority to the United States.

**OTI Role:** The U.S. recognizes a critical need to ensure the military relinquishes power and supports the long-term development of a civilian, democratic government. The Office of Transition Initiatives, with expertise in civil-military relations and civil society projects, is uniquely positioned to address this need. As part of a strong USG presence, OTI can assist in mitigating the range of factors threatening the stability of Nigeria's fragile democracy.

**Focus/Program Design:** OTI's objective in Nigeria is to help sustain the current transition to elected civilian rule and to assist Nigerian reformers from all public and private sectors of society to advance from transition to transformation of their political and economic institutions. Working closely with the USAID Mission and using their framework strategy, as well as assessment findings, OTI developed a set of proposed program areas which include: 1) capacity-building for good governance, 2) conflict resolution projects in the Niger Delta and other strategic regions, 3) coalitions for reform, including economic reform and private sector development, and 4) civil-military relations. Good governance was given priority during the pre-inaugural period, based on timeliness and importance.

**Relationship of OTI program to USAID Mission strategy and MPP:** The proposed strategy fits into both Agency goals and the Mission Program Plan. It contributes to the MPP's Country Special Objective # 2, Strengthening civil society's contribution to sustainable democracy and good governance, and contributes to the goals of USAID and to larger strategic goals of the USG.

OTI coordinates all activities with the USAID Mission in Nigeria as well as with the Africa and Global Bureaus in Washington. OTI and the Africa Bureau are working with the mission to develop a short-term (18-24 month) strategy for the mission, as well as a longer-term strategy, taking into account the changing Nigeria context.

OTI's assistance is timely and much appreciated, as cited in USAID/Nigeria 1998 Results Report (pg. 1). USAID/Nigeria is exploring ways that short-term initiatives, like those of OTI, can be folded into longer term initiatives, designed to actualize Nigeria's potential in several sectors.

## PROCESS INDICATORS

**Speed:** OTI was quick to establish a presence in Nigeria. After carefully observing the situation in Nigeria through mid-1998, OTI saw a window of opportunity open with Abubakar's reforms. Steps taken during the interim period of his rule enabled OTI to begin its work in-country well before Obasanjo's government came to power. OTI participated in a USAID assessment in August-September 1998 and developed a country program strategy. A central office was set up in Lagos in the USAID mission in February 1999, with offices in Abuja, Kano and Port Harcourt opening in April 1999.

OTI was also able to quickly provide a coordinator for D/DG CEPPS partners to monitor the Nigerian elections. OTI filled this gap when a coordinator could not be located from other USAID offices. In addition, OTI identified and hired a Nigeria Task Force Coordinator, based in Washington, to serve as a focal point for internal USAID coordination.

Although the initial strategy called for training of officials to begin after the new government was in place (June 1999), the strategy was changed to reflect significant USG interest in the project, especially from the US Embassy in Nigeria. Therefore, OTI worked in coordination with the rest of USAID to mount a major training for government officials prior to the inauguration.

The USAID training program effectively trained all governors, all State and National Assembly members and half of all local officials within a six-week period. The remainder of the local officials will be trained post-inauguration. It is also significant to mention that training was undertaken without any resident OTI expatriates, drawing significantly on local experts and resources.

**Targeting:** While OTI targeted all elected officials for training, it prioritized the training for Governors and National Assembly Members. This enabled OTI to maximize its impact before the elections. In addition, the training project allowed OTI to identify potential reformers and spoilers, paving the way for future interventions.

**Resource Leveraging:** By combining OTI resources with those of G/DG and USAID mission partners, and by utilizing ESF funds, a greater synergy was achieved. By planning and executing a media strategy that brought nationwide publicity for the training project, OTI magnified its impact by encouraging a debate on democracy that extended beyond the trainees to the larger Nigerian populace.

**Policy Leveraging:** Through OTI's early engagement and structured analysis, it helped drive the process by which USAID and the larger USG engaged Nigeria immediately. OTI was instrumental in what USAID will do and is doing, as well as being a major force for the direction of USG strategy.

**Advancing Change:** Beginning in FY1999, OTI undertook a rapid training of Nigerian elected officials. The project covers all officials, including State governors, National Assembly members, State Assembly members, and chairpersons and councilors of local governments. OTI's project will have trained 10,300 elected leaders, including: 36 governors in a 3-day workshop in 1 venue; 109 Senators and 360 House of Representatives and 880 members of the State Assembly in 36 states in 3-day workshops in 16 venues. By the end of the training in July, 9,584 local councillors and chairpersons will be trained in 2-day workshops in 188 venues.

## **BROADER LESSONS LEARNED**

The training project in Nigeria showed that when USAID is working together as a unit, utilizing the talents of its individual offices, and recognizing the importance and urgency of the work, a product can be generated that goes beyond expectations.

## **PARTNERSHIPS**

Within USG: OTI's partnerships played a key role in its successful engagement in Nigeria. Critical relationships include those with the USAID Mission, the Global Bureau for Democracy and Governance, and the Department of State. OTI has a very strong relationship with the USAID mission in the field as well as with their network of partners. This relationship was instrumental both in the design and implementation of OTI activities. The OTI team worked with the G/DG on the training project, meets with them on a weekly basis, and continues to develop new ways to collaborate. Close contacts within the Department of State include the Embassy in Nigeria, its mission and country team, and the West Africa office of the Africa Bureau.

**Other Partnerships:** Successful partnerships within the training project were also essential. These included work with the Nigerian National Assembly Secretariat, six regional Nigerian organizations, four US-based NGOs (MSI, JHU, CEDPA and NDI) and several distinguished Nigerian social scientists and journalists.

## **FUTURE PROSPECTS AND EXIT STRATEGY**

**Planned Strategy Adjustments:** OTI will continue to adhere to its initial strategy of September 1998, while keeping a close eye on the current transitional context in Nigeria. OTI's other three program areas (regional development projects, civil/military reform and coalitions for reform) are in the early stages of development. Staff is being hired and project designs are in review by USAID and others. OTI is working closely with the Department of Defense, the Department of State and the National Security Council on the civil-military issue.

**Exit Strategy:** OTI plans to exit Nigeria in FY2001. A Results framework will be developed in June 1999.

## **ADDITIONAL INFORMATION**

The project has been perceived as a success not only in the U.S. but, more importantly, by the newly elected officials in Nigeria.

## Country Profile: *PHILIPPINES*

**Country Context:** Since the end of the U.S. military base presence, the U.S.-Philippines relationship has improved and broadened, focusing more prominently on economic and commercial ties while maintaining the importance of the security dimension. After several years at the negotiating table, on September 2, 1996, the Government of the Philippines (GOP) and the Moro National Liberation Front (MNLF) signed a peace agreement ending hostilities and setting the stage for peace and development in the Southern Philippines (Mindanao). One year after the signing, few tangible benefits were seen at the local level. A failure to deliver on the promised "peace dividend" could undermine the political and socio-economic aims of the GOP and MNLF, and produce a resurgence of conflict and instability in Mindanao. In June 1997 at the request of the USAID Mission, OTI provided an assessment team to determine the immediate needs of MNLF communities.

**U.S. Foreign Policy Interests:** Philippines domestic political stability has resulted in increased U.S. investment in the country, while a strong security relationship rests on the U.S.-Philippines Mutual Defense Treaty. Two-way U.S. trade with the Philippines amounted to over \$16.7 billion in 1997. U.S. investment in the Philippines is estimated at some \$2.5 billion, slightly more than 29% of all foreign investment in the Philippines.

**OTI Role:** OTI is reinforcing the peace agreement by providing fast, tangible socio-economic benefits to ex-MNLF combatants.

**Focus:** Phase I of ELAP assisted 4,000 MNLF ex-combatants, their families and survivors in their reintegration by: providing immediate livelihood assistance; fostering participatory practices in their communities through management of a community fund; and initiating a pilot "literacy for enterprise development" program. Phase II will focus on 300 new villages impacting 7,000 ex-combatants and their families. Approximately 100 villages who were assisted under Phase I will also be targeted during Phase II.

**Program Design:** Participants of Phase I received production inputs and technical and marketing training to initiate or expand production of corn or seaweed. Program participants were expected to repay the value of the production inputs. The repayments will be used to capitalize a community fund, which will provide funds for additional livelihood assistance or for other worthwhile community participation projects. Phase I operated in 10 areas where participants were grouped in clusters of 40 to 60 families. Phase II will provide in-kind contributions or provision of services or training to assist in the development of small scale infrastructure, post-harvest facilities and community fund support. A new program funded by OTI in FY1999 will provide assistance to IFES to ensure free and fair elections in the Autonomous Region of Muslim Mindanao and for the plebiscite planned under the September 1998 Peace Agreement.

**Relationship of OTI program to USAID Mission strategy:** OTI's activities are fully integrated into the Mission's Strategic Objective 1: Accelerate the Economic Transformation of Mindanao. The Mission has fully absorbed Phase I of the OTI program.

## PROCESS INDICATORS

**Speed:** OTI conducted an assessment in June 1997. The program was launched later with the signing of a Memorandum of Understanding on August 8, 1997. The first seeds were delivered 5 weeks later to the initial communities.

Phase II began in April 1999, and the implementation has been equally fast. A contract with Development Alternatives International was finalized April 29, 1999. The SWIFT-ELAP field staff were hired and deployed to their assigned MNLF areas by May 15. The first TAGs are expected to be submitted for approval in early June.



**Targeting:** Unless the perception by the Muslim, Christian and government actors of Mindanao begins to change, the roots of conflict will stay intact. Over the next 12 months, ELAP will have to apply further focus on providing the Muslim communities supporting the peace process tangible examples of the GOP delivering assistance to their people. The current perception is that the GOP has not yet delivered on the promises made under the peace agreement. For these perceptions to begin to change, GOP line agency officials will have to physically visit target Muslim villages and deliver tangible projects. SWIFT-ELAP is designed to facilitate this basic yet critical government service. To effectively engage the GOP, line-agencies will have to provide matching funds or SWIFT-ELAP becomes only another donor - supported project that reinforces the image that the international donors care more about the Muslim community than the Philippines government.

**Resource Leveraging:** OTI's initial contribution was \$2.0 million (FY 1997 and 1998) while the USAID Mission contributed \$1.7 million to cover program administrative and technical support requirements. The Mission will provide \$2 million in FY1999 for the expanded GEM/ELAP program and is expected to obligate an additional \$2.5 million. The British have provided \$200,000 and sponsored 3 MNLF communities.

#### **Advancing Change:**

##### Results:

- 4,000 ex-combatants have received agricultural production inputs and have planted since initiation of project activities
- 600 ex-combatant family have received training through the pilot literacy program. OTI's goal of assisting 400 families has been reached. Literacy training for an additional 200 families has been supported by the British government.
- 86% of municipalities that are ELAP beneficiaries have developed community funds, exceeding the target of 80%.
- 40% of corn-planting municipalities have deposited community funds in a bank account, the target was 60%. Data is not available on seaweed planting municipalities.

## **BROADER RESULTS AND LESSONS LEARNED**

OTI has reached the target goal of 4,000 ex-combatants. However MNLF communities have not received the full benefit of the program because of the Asian financial crisis, El Nino impact on the crops and the lack of a peace agreement with the Moro Islamic Liberation Front.

Use of the GEM program, already established in Mindanao, has contributed significantly to the speed of implementation. In coordination with the USAID Mission, GEM's contract was modified to add the ELAP component to include administrative support, agricultural commodities and technical staff.

OTI likes to select partners with the most energy. In Mindanao we discovered the recipients, the local MNLF commanders and the BMWF, were the best choices. With representation in all ELAP areas, we found they were very helpful in arranging visits and preparing the community for livelihood assistance.

The creation of an oversight (management) committee involving the recipients, the Southern Philippines Council for Peace and Development, GOP and BMWF has proved to be an effective coordinating mechanism.

Within the first few weeks of the program, Rhone Poulenc and Pioneer Hybrid expressed interest in aiding the former rebels. Rhone offered free training in pesticide use while Pioneer offered training in corn production. We found the corporate partnership was attractive because it was appealing as a humanitarian project and allowed the partner access to markets not previously open.

## **PARTNERSHIPS**

**Critical relationships within the USG:** An early and well-established relationship with the USAID Mission allowed for a rapid assessment, program design, and implementation.

**Other critical partnerships:** Close coordination with the existing Growth with Equity in Mindanao program has brought maximum benefit to MNLF communities.

The British contributed \$200,000 to ELAP sponsoring three MNLF communities. Following regular consultative discussions with the FAO staff, USAID\OTI was successful in affecting the design of the FAO program and which allowed them to deliver their assistance more reliably than other UN organizations operating in Mindanao.

## **FUTURE PROSPECTS AND EXIT STRATEGY**

**Exit strategy and timeframe:** The timeframe of the assistance for Phase I was 18 months with a seamless hand-off to the USAID Mission in April 1999. The exit strategy for Phase II will include a hand-off strategy to the USAID Mission and linkage to local government units and line-agencies of the GOP by April 2000.

## **OTHER**

When President Ramos made his final trip as the President, to the U.S. he personally thanked President Clinton for the USG's support for the peace agreement by assisting MNLF families.

## Country Profile: *RWANDA*

**Context:** On April 6, 1994, the airplane carrying the presidents of Rwanda and Burundi was shot down as it approached Kigali, killing everyone aboard. As if the crash were a signal, military and militia groups began killing Tutsis and political moderates. The killing quickly spread to all corners of the country; a genocide of unprecedented swiftness left up to 1 million Tutsis and moderate Hutus dead at the hands of organized bands of militia — *Interahamwe*. Local officials and government-sponsored radio called upon even ordinary citizens to kill their neighbors. The international community responded with one of the largest humanitarian relief efforts ever mounted.

**US Foreign Policy Interests:** In the post-genocide period, U.S. Government interests have shifted from strictly humanitarian to include the prevention of renewed regional conflict, the promotion of internal stability, and renewed economic development. A major focus of bilateral relations is USAID's "transition" program, which aims to promote internal stability and to increase confidence in the society.

**OTI Role:** OTI provided assistance to the United Nations' human rights monitoring effort in the immediate aftermath of the genocide and as the new government took control. Throughout its intervention in Rwanda, OTI has provided critical input to the formulation of U.S. policy towards the country; pilot tested new mechanisms and transition program activities; created a successful model for rural assistance programs; and advanced the ability of many citizens to participate in democratic processes.

**Focus:** OTI's focus is to advance the post-genocidal recovery process by: 1) addressing social justice concerns of surviving Rwandans; 2) promoting self-help activities identified by rural women's associations; 3) increasing citizen participation in local government decision-making processes; and 4) responding to windows of opportunity to advance the transition towards peace.

**Program Design:** Justice – in partnership with InterNews, the Department of State, and the UN's International Criminal Tribunal for Rwanda, OTI funds the dissemination of information on the tribunal process and progress. Women's self-help activities – in partnership with IRC, the Ministry of Family and Gender, the USAID Mission, and the US Embassy, OTI has provided grants to women's associations in 11 out of 12 provinces. This assistance is focused on supporting participatory decision-making processes and has included the following self-help priorities: shelter, livestock, income generation, and other activities that improved the lives of over 100,000 beneficiaries. Local governance – OTI has provided technical assistance to the Ministry of Interior on political decentralization processes, including assistance in the elections process for local citizens' development councils. Other transition opportunities – In FY 98, OTI explored the possibility of expanding self-help activities into the Northwest regions of the country, where violence continued and needs were great. It also pursued options to increase the availability of objective news and information.

**Relationship of OTI program to USAID Mission strategy and MPP:** OTI worked with the Mission through an Integrated Strategic Plan (ISP), and the Mission's strategy supports the Mission Performance Plan (MPP). OTI continues to work with the Mission and the Africa Bureau on USAID's strategy and on the hand-off plans. Throughout OTI's Rwanda program, the office has worked in close collaboration with the Embassy – sharing information, including on OTI's activity results, participating in discussions of USG strategy, and more. During US Ambassador Robert E. Gribbin's farewell address in December 1998, he noted that "... the Women in Transition Program has played a key part in Rwanda's reconciliation process."

## PROCESS INDICATORS

**Speed:** Within weeks of the improvement in the security situation in the Northwest, OTI began to expand WIT programming into that area.

**Targeting:** The initial target group for the women's self-help activities consists of rural women's associations in five priority prefectures. In FY98 the Mission and OTI have worked together to promote peace and development in the Northwest by targeting specific interventions in that area. Through the Women in Transitions (WIT) project, women's

associations in Gikongoro, Butare, Cyangugu and Gisenyi have received agricultural and livestock raising assistance. Women's Committee Communal Funds modeled on successful OTI projects in other regions will be supported in FY99.

In FY98 it became apparent that reports on the progress of the ICTR from OTI's grantee, InterNews were not being disseminated within Rwanda. Analysis revealed that the GOR was focused on providing its own reporters to the ICTR, and felt the need to control information from external sources on the Tribunal. OTI, the Department of State, and InterNews redirected the project toward providing background and progress information to the news wires and agencies covering African news, to increase regional and international awareness of the Tribunal's progress.

**Resource Leveraging:** Justice -- in FY 1998 DOS agreed to fund an extension of OTI's ICTR activities, while OTI continued to manage the activity. This leveraged approximately 50% additional funds. Self-help Activities -- the WIT project requires each women's association to contribute over and above OTI's grant amount -- usually in the form of labor or commodity contributions.

### **Advancing Change:**

Local Governance: [From Mission 2001 R4] SO1: Democracy and Governance -- SO1, approved in May 1997, is on track meeting targets in all four IR packages. The most significant program achievements in the last year were the breakthroughs in local government and decentralization. Parallel to the Mission's efforts, OTI funded technical assistance to the ministry responsible for decentralization efforts. According to the OTI advisor in-country, the OTI team, a growing number of ministry officials, the Mission, and the Mission's contractor "formed the nucleus of the growing local government experiment and the evolving national policy." The GOR, impressed by activity results, enacted a local government election law in December 1998 that patterns local government structures after this pilot. As a result, elections at the sector and cell levels (the lowest levels of governmental jurisdiction) were held throughout most of Rwanda in March or April 1999, and local elections in the Northwest should follow shortly thereafter. The GOR has been successful in undermining the influence of insurgents in this region resulting in significant improvements in security. The planned elections lend optimism to prospects for nationwide political, social and economic gains in 1999.

In 1998, OTI's technical assistance team -- in conjunction with the Mission -- sponsored study tours by Rwandan local government officials to Uganda and Eritrea to facilitate the cross-border transfer of lessons learned from local government reform and the decentralization process in those countries.

Women's Self-help Activities: [From Mission 2001 R4] SO3: Increased Ability of rural families in targeted communities to improve household food security. By the end of FY98, WIT had assisted a total of 1,251 associations (with 21,543 members), thus benefiting over 100,000 people. These numbers are cumulative because WIT often tranches grants, and refunds associations for follow-up activities. OTI disbursed \$1,197,794 for WIT in FY98.

Each activity directly contributed to increased agricultural production (1998 production was 90 percent of the 1990 level) and improved household food security in target areas. The WIT program recognizes that the role of women is being redefined in Rwandan society. Since women play an increasing role in economic and decision-making processes outside of the home, WIT will continue to respond to immediate and urgent needs for shelter and productive activities as identified by women's associations. The increased confidence resulting from WIT funds given directly to women associations cannot be underestimated. Building on the pilot experience with six Women's Communal Fund Committees during 1998, WIT will spend more time working with the twenty new Committees, scheduled to receive funding in 1999.

Justice -- During FY 1998, OTI funded media activities related to the ICTR, including a grant to InterNews. Throughout 1998, InterNews' coverage of the Tribunal has been greatly improved by supporting the permanent journalists at the ICTR, keeping other foreign correspondents informed, and providing the only English-speaking reporter in the courtrooms on a daily basis. InterNews has also filed numerous articles on the international wires, writing reports and articles for radio and print media, and posting information to e-mail discussion groups. InterNews helped fund the ICTR press room, a place for all journalists to work, which opened in May 1999.

## **BROADER RESULTS AND LESSONS LEARNED**

**Results:** [From the Rwanda R4] According to the USAID Mission, the WIT project contributes to the reconciliation process underway in Rwanda. Mutual suspicions and antipathies exist, and are not easily exorcised. Nonetheless, WIT has recorded many cases of progress toward tolerance and acceptance through mutually shared activities that improve livelihoods. Participation in joint activities related to agricultural production, processing, and marketing is helping women find common ground where trust can be rebuilt.

### **Lessons Learned:**

- The semi-autonomous nature of WIT allows it to be more responsive (because it operates outside of USAID and GOR bureaucratic structures), while also maintaining close coordination with both structures) and helps increase its credibility.
- Because WIT works closely with the GOR Ministry and local officials, it has proven to be an effective way to test the organizational capacities of different communities, understand the power dynamics, filter and identify the effective leaders and workers in a community, put in place logistics systems, and demonstrate the community's belief and willingness to invest in the peace process.

## **PARTNERSHIPS**

**Within the USG:** USAID, USIA, NSC, DOS, Inter-Agency taskforces (Great Lakes Justice Initiative, Greater Horn of Africa Initiative, Preventing Genocide).

**Other Partnerships:** IRC, AFRICARE, InterNews

## **FUTURE PROSPECTS**

**Planned Adjustments:** OTI plans to transfer total management and funding of WIT to the Mission by FY2000 (the Mission already picks up half of the ICRC grant).

**Exit Strategy:** The local governance component has already been handed off to the Ministry, the World Bank, and the Mission. OTI expects to hand-off all activities by the end of FY2000.

## Country Profile: *SIERRA LEONE*

**Context:** In March 1998, President Ahmed Tejan Kabbah returned to office after nine months in exile, only to face renewed fighting with the Armed Forces Revolutionary Council/Revolutionary United Forces (ACRF/RUF). Although opposed by an alliance of ECOMOG and Civil Defense Forces, the rebels persisted in a widespread campaign of terror. Violence against civilians in the form of murder, amputation, and mutilation reached a peak in June 1998, flaring again in January 1999. The eight-year civil war has caused massive destruction of the environment and natural resources, rendering Kabbah's government unable to meet even the basic needs of its citizens. On May 20, 1999 a cease-fire was brokered between President Kabbah and Foday Sankoh, leader of the RUF. Formal peace talks began five days later in Togo.

**U.S. Foreign Policy Interests:** The overriding US interest is the development of democratic institutions, including a professional, apolitical military. Only a stable, democratic government can break the country's cycle of war and violence, which has absorbed \$150 million dollars of U.S. humanitarian assistance in the last decade. A strengthened, democratically-elected government in Sierra Leone will have regional benefits, stabilizing West Africa, promote zero tolerance for military coups (a policy advocated by ECOWAS), and prevent national conflicts from overflowing into neighboring nations, i.e. Liberia to Sierra Leone, Sierra Leone to Guinea.

**OTI Role:** OTI is working to advance the peace process and strengthen democratic governance. Most recently, OTI supported a delegation of civil society representatives to be present during the peace talks, and is providing technical support to ECOWAS to enhance their ability to serve as a secretariat for the talks.

**Focus/Program Design:** OTI is supporting activities that promote dialogue among civil society organizations and the GOSL to build national consensus and enthusiasm for the peace process. Since February 1999, the focus has been on grants to civil society organizations, enabling public debate and discussions in support of President Kabbah's decision to engage the RUF in dialogue.

OTI's focus includes: 1) Support for civil society's engagement with the government of Sierra Leone (GOSL) to promote reconciliation; debate and develop national consensus on key issues; and develop key constituencies to support the government's attempts to pursue peace and enact crucial reforms. 2) Technical assistance for training senior officials of key government ministries and developing post-conflict security systems. (This work, undertaken in collaboration with G/DG, has been temporarily suspended pending the reopening of the US Embassy in Freetown).

**Relationship of OTI program to USAID Mission:** OTI is currently working in absence of a USAID mission. However, it is working closely with the U.S. Embassy in Sierra Leone, USAID/Washington, BHR/OFDA, BHR/FFP, and G/DG. OTI has teamed with USAID partners in the development of an "Emergency and Transition Assistance Plan" for Sierra Leone.

## PROCESS INDICATORS

**Speed:** OTI acted swiftly following Kabbah's restoration to office in March 1998. In late June 1998, it reactivated its program with World Vision, and fielded, with G/DG, a team of experts to assist Kabbah's government and Sierra Leonean civil society to design and create new institutions to provide security.

OTI is closely monitoring the current peace talks and is poised to increase activities in the event of a positive outcome.

**Targeting:** Within its civil-society focus, OTI has recognized disenfranchised, war-affected children and youth as a particularly important target group. They are the focus for many of activities, constituting a "Youth in Development" component of the program.

OTI's focus is nation-wide with an emphasis on civil society activities at the village, chiefdom, district and provincial levels in rural areas that have been historically neglected.

**Resource Leveraging:** OTI's contribution of \$900,000 for FY1997-98 and \$550,000 scheduled for FY1999 have been strategically combined with an estimated \$8.9 million in ESF funding to ECOMOG, \$8 million of UK assistance for demobilization and \$15 million of World Bank funds. Several major OTI activities were co-funded by the British Government and UNDP.

**Policy Leveraging:** When peace talks were announced in May 1999, OTI was asked by the U.S. Department of State to provide technical assistance to ECOWAS during the talks.

OTI has promoted dialogue between civil society organizations and the GOSL, particularly in its facilitation of the National Consultative Conference in April 1999, and its support to Sierra Leonean civil society representatives to attend the peace talks, enhancing national debate and participation.

**Advancing Change:** Impact for many OTI programs cannot yet be determined, given the limited access by OTI staff to many locations. However, the Transition Initiatives Project has successfully carried out activities throughout the country. Between August and December 1998, OTI/World Vision implemented 34 special projects, including: a meeting with SL Youth Empowerment Organization leaders from 10 zones in Freetown; a community sensitization project on human rights issues and protection in S. Leone Jui and Kuntoloh Allen Town; a campaign on the rights and responsibilities of local traders in civil society; and equipping of radio stations with antennas for alternative media broadcasting in Bo.

A campaign of meetings and consultations funded by OTI, culminated in a National Consultative Conference held April 7-9, 1999. The conference was co-funded by OTI and the British Government and served as the official venue for the GOSL to receive and recognize civil society's recommendations regarding peace negotiations. OTI co-funded with the British Government and UNDP a delegation of civil-society representatives to observe the Togo peace talks.

## **BROADER RESULTS AND LESSONS LEARNED**

**Relationship of program to overall country context:** OTI has been extremely flexible as the context in Sierra Leone changes. OTI was able to put its plans on hold and wait for an opening to appear, as occurred in March 1998 with the reinstatement of President Kabbah. The GOSL has described the focus of OTI's civil society support program as being "of crucial importance to the government at this point in time because it forms the basis for cultivating civil society participation and mobilizing public opinion in facing the current challenges."

### **Lessons Learned:**

OTI's experience in Sierra Leone has provided two valuable lessons, as follows:

- 1) It is worthwhile to engage civil society groups involved in relief efforts and support their interest in engaging in the dialogue for peace.
- 2) Transition assistance must go hand in hand with strong U.S. diplomacy on related issues of peace and security.

## **PARTNERSHIPS**

**Within the USG:** OTI coordinates with other USAID offices including OFDA, FFP, the Africa Bureau, and the Global Bureau's Democracy and Governance Center (G/DG), and with the Department of State's West Africa office and its office of Population, Refugees and Migration.

**OTI is coordinating with G/DG on providing technical assistance for post-conflict security systems.**

**Other partnerships:** In the absence of a strong USG presence in Sierra Leone, OTI has been able to work effectively through partnerships with UN agencies, the World Bank, the EU and the UK.

## **FUTURE PROSPECTS AND EXIT STRATEGY**

**Planned Adjustments for Program in Near Term:** OTI will adjust its program according to the country context, specifically on whether hopes for a permanent peace settlement can be realized.

**Exit strategy and timeframe:** OTI expects to exit Sierra Leone in FY2000, but the duration of project activities will be determined by progress towards a sustainable peace.

## **OTHER**

During a 1998 Washington visit President Kabbah mentioned OTI's technical assistance to his government in two meetings with National Security Advisor Sandy Berger and Assistant Secretary of State Susan Rice.

Senior members of the Kabbah government have formed a Task Force on Civilian Control of the Military and, with technical assistance provided by OTI, are designing implementation plans for developing broadly accepted protocols and institutions to ensure civilian control of the military.